Daily Report

Latin America

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Cuba

Declaration on Quadripartite Talks Released

FL0808180888 Havana Tele-Rebelde Network in Spanish 1700 GMT 8 Aug 88

[Text] The text of the joint declaration released today on the quadripartite talks held in Geneva by the People's Republic of Angola, the Republic of Cuba, the RSA, and the United States as mediator is as follows:

Delegations of the People's Republic of Angola, the Republic of Cuba, the RSA, and the United States met in Geneva, Switzerland, from 2 to 5 August 1988 to continue their efforts to reach a peaceful solution to the conflict in southwestern Africa. Based on the progress attained in Cairo, London, and New York, the negotiations in Geneva were detailed, positive, and productive.

The delegations of Angola, Cuba, and South Africa have agreed on a series of positive steps to prepare the way for the independence of Namibia, in accordance with UN Security Council Resolution 435, and to attain peace in southwestern Africa.

The parties agreed to recommend to UN Secretary General Javier Perez de Cuellar the date of 1 November 1988 for the beginning of the implementation of Resolution 435. The parties approved, ad referendum by their governments, the text of a tripartite agreement that incorporates as a treaty the principles agreed upon at Governor's Island, New York, which were formally approved by the same governments on 20 July 1988.

For their part, Angola and Cuba reiterated their decision to sign a bilateral agreement which would include a timetable acceptable to all parties for the total withdrawal, in stages, of Cuban troops in Angola. The parties have made a commitment to reach an agreement on this timetable by no later than 1 September 1988. A series of practical measures were also adopted that will develop confidence, reduce the risk of a military confrontation, and create the conditions necessary in the region to conclude the negotiations.

With the approval of these measures, a de facto cessation of hostilities becomes effective. The total scope of these measures will be evident within the next few weeks.

The next round of talks at the experts level will take place the week of 22 August. The exact date and location have not yet been determined.

All the delegations expressed their appreciation for the excellent facilities and the support rendered by the Swiss Government.

Spokesman on Troop Withdrawal

FL0908133288 Havana Tele-Rebelde Network in Spanish 1100 GMT 9 Aug 88

[Text] Cuba has denied reports of a supposed timetable for the withdrawal of its troops in Angola and refuted statements that this is the principal point of the quadripartite negotiations on the situation in southwestern Africa.

Alcibiades Hidalgo, official Cuban spokesman of the joint delegation with Angola, reiterated that Cuba strictly adheres to the agreements reached in Geneva and details will not be released on what was discussed there last week.

The essence of the matters discussed during the last stage of talks among Cuba, Angola, and South Africa with the mediation of the United States, is contained in the joint declaration revealed in the respective capitals of the four countries, added Hidalgo.

The spokesman categorically denied that the withdrawal of Cuban forces from Angola is the main point of the principles agreed upon in New York which, as of now, have been adopted as an official treaty between the governments of Havana, Luanda, and Pretoria. He stressed the global nature of this event and he expressly denied that any priority (?was given) to any of the points mentioned.

It is clear to any observer that the application of UN Security Council Resolution 435 on the independence of Namibia is a fundamental matter, said Hidalgo. The Cuban spokesman said that there is now a date for the application of this resolution—1 November.

Hidalgo accused some South African media of using imprecise terms. He said: One must ask if these were written by a science fiction writer.

The Cuban spokesman said that the document issued during the last few hours makes it clear that the matter of withdrawing Cuban forces from Angola will be handled according to a bilateral agreement between the governments of Havana and Luanda. The two countries decided that this will be made known no later than 1 September. Hidalgo said that no decision has yet been made as to a date for the withdrawal of troops.

In Cuba we understand the domestic circumstances of some South African media but this does not justify their diversion from reality.

Further on Document Signing

FL0908124388 Havana Tele-Rebelde Network in Spanish 1100 GMT 9 Aug 88

[Text] During the present round of negotiations, the delegations from Angola, Cuba, and South Africa signed an agreement that establishes the steps necessary to

prepare the way for the independence of Namibia. The document was signed by Antonio dos Santos Franca Ndalo, chief of staff of the Angolan Armed Forces; Carlos Aldana Escalante, secretary of the PCC; and Neil van Heerden, chief of the South African delegation.

The signing of the document was also attended by (Herman Crocker), adviser for African affairs of the National Security Council, who represented the U.S. Government, which is mediating these negotiations.

During the course of these negotiations, Cuba saw it necessary to refute statements revealed by the South African delegation in regard to the negotiating process. These were made public even before they were presented at the quadripartite conference.

Returning to their homeland, the Cuban delegation was received by Army General Raul Castro Ruz, second secretary of the PCC and FAR minister; Jorge Risquet Valdes, member of the PCC; and high-level military officials.

Castro To Attend 10 Aug Ecuadoran Inauguration

FL0908113888 Havana Tele-Rebelde Network in Spanish 1100 GMT 9 Aug 88

[Text] Commander in Chief Fidel Castro Ruz, president of the Cuban Councils of State and Ministers, has accepted the invitation to attend the ceremonies transferring presidential power in Ecuador. The commander in chief will be accompanied by Jose Ramon Fernandez, Carlos Aldana Escalante, Jose Abrantes, and Ricardo Alarcon.

The ceremony transferring power will be held in Quito tomorrow and will include a report on the work of outgoing President Leon Febres-Cordero and a message to the Ecuadoran nation from incoming President Rodrigo Borja.

This is the second time that our commander in chief has visited Ecuador. The previous visit in 1971 was a brief stopover in the city of Guayaquil.

Vice President Comments on U.S. Policy

FL0808122488 Havana Tele-Rebelde Network in Spanish 1100 GMT 8 Aug 88

[Text] Cuban Vice President Carlos Rafael Rodriguez has said in Cocoyoc, Mexico, that U.S. foreign policy has been defeated. He also expressed his confidence that the U.S. Congress will not approve aid to the Nicaraguan counterrevolutionaries.

In a dialogue with the press, the Cuban leader discussed economic topics of historic importance to underdeveloped countries. Carlos Rafael referred to the U.S. failure not only in Central America, Nicaragua, and Cuba, but also in Lebanon, where the United States embarrassingly had to withdraw its troops. He said that President Ronald Reagan's foreign policy has been ill-fated. This is how most of humanity views it, said the Cuban vice president, who is attending a meeting in Mexico as a member of the South Commission, which was founded by former Tanzanian President Julius Nyerere last year.

Carlos Rafael Rodriguez explained that the members of that commission are trying to analyze, study, and discuss the outlook for solutions to the serious problems that afflict underdeveloped countries and their relations with the North. He said that the fundamental task is to give the South the feeling of urgency and to stress the need for underdeveloped countries to mobilize their forces for cooperation.

Crombet Meets With Uruguay's Arismendi

FL0608123088 Havana Radio Progreso Network in Spanish 1100 GMT 6 Aug 88

[Text] Rodney Arismendi, secretary general of the Communist Party of Uruguay, and Jaime Crombet, member of the PCC Central Committee Secretariat, met yesterday in Uruguay. The two officials exchanged opinions on the political situation of the continent, relations between the two parties, and other matters of mutual interest.

Visiting Saharan Official on Support, War

FL0508212688 Havana Radio Reloj Network in Spanish 2035 GMT 5 Aug 88

[Text] Saharan Foreign Minister Mansour Omar has said during a news conference in Havana that the recognition the Saharan Democratic Arab Republic [SDAR] has received from more than 70 countries demonstrates the resounding failure of Morocco's policy to isolate the people of the SDAR.

He said that after 13 years of fighting, the permanent defeat of the Moroccan forces in the military area is obvious, as well as the consolidation of the Moroccan Army, which has tossed aside the myth of the indestructability of the walls that surround the area in conflict. As a result of the war of attrition that the SDAR people are carrying out, those walls have become a true collective prison for the invaders, said the Saharan official, who is also a member of the Politburo of the Polisario Front.

Nevertheless, he stressed that the peace plan that can bring a peaceful end to this conflict is confronting some difficult obstacles from Morocco.

Further on Remarks

FL0608014288 Havana Television Service in Spanish 0000 GMT 6 Aug 88

[Text] Morocco should understand that it is impossible to destroy the Saharan Democratic Arab Republic. They should respect our rights and borders and accept the bargaining table as the only way to reach a peace agreement.

This was said by Comrade Mansour Omar, member of the Politburo of the Polisario Front and foreign minister of that brother country during a news conference today in Havana.

The Saharan foreign minister also referred to the current situation at the battlefront. We have been fighting for 13 years and we will continue this way as long as it is necessary, he said. Omar later referred to the conditions that need to exist for a referendum.

[Begin recording] [Omar] As I said, those necessary conditions are, first, to negotiate a cease fire. The second condition is that the forces and administration of Morocco withdraw from Saharan territory while the referendum is being organized and that they be replaced by an administration from the United Nations, a neutral administration.

This is the content of the resolution. Morocco continues to maintain a negative position toward negotiations, avoiding the withdrawal of its forces and administration during the organization of a referendum. [end recording]

Internationalists Return From Service in Angola
FL0808023288 Havana Television Service in Spanish 0000 GMT 9 Aug 88

[Text] Approximately 100 graduates from pre-university schools who had enlisted in the FAR for 1 year arrived in Havana yesterday from the People's Republic of Angola. After having participated in the defense of that brother country for 1 year, the youths will commence their university studies. When they left, they did not ask when they were going to return to enroll in the universities. Their sole concern was to carry out their assigned mission. By virtue of their merits, 22 of them were awarded the Internationalist Medal, first class. The rest of them received the Internationalist Medal, second class. Among the group of youths, four received the Distinguished Service Award. This is another proof of the quality of Cuban youth.

[Begin recording] [Gilberto Rio de Leon] Commander in Chief, dear fatherland, comrades, thank you for welcoming us today. However, we ask that you march with us to this contagious rhythm in order to add a little more to this grandiose project in all its aspects. In this way, we can show that we were, are, and will be always alert, without fear, and above reproach. [applause]

[First speaker] I went to learn many things, especially those related to the Army, the FAPLA [People's Armed Forces for the Liberation of Angola], which is very close to the Cuban internationalist comrades who are there. I really feel satisfied with this mission. I also think it will not be the last one.

[Second speaker] The amount of time we are required to spend there is not important; what is important is the fact that we went there to carry out our mission. Furthermore, the party can count on us. If it is necessary [words indistinct] longer the (?booklet) to reenlist again in that historic struggle.

[Third speaker] To me it means a lot. First of all, because I can summarize the meaning of this by saying it is one's duty to (?serve) the fatherland and to be an internationalist. My highest aspiration was to comply with Fidel and the revolution, and I have now done that.

[Jose Ramon Fernandez, alternate member of the PCC Central Committee Politburo] Finally, we express to you, on behalf of the PCC Central Committee and the FAR minister, and personally on behalf of our commander in chief, Comrade Fidel, our welcome and our warmest congratulations for the way in which you have earned the respect and consideration of all through your conduct and attitude. I also wish to express to you our satisfaction for the valor and the willingness shown before the enemy, and at the same time to wish you the greatest success in your studies and future lives. [applause] [end recording]

Dominica

Charles Cited on Venues for Criticizing Party
FL0808132588 Bridgetown CANA in English 2040 GMT 6 Aug 88

[Text] Roseau, Dominica, Aug 6, CANA—Prime Minister Eugenia Charles on Friday night told supporters that when they found it necessary to criticise the Dominica Freedom Party (DFP) government they should not do it in public.

Miss Charles told a public meeting in Roseau, the capital, she held a weekly Thursday constituency meeting in Roseau at which her constituents could raise their criticisms and they could also telephone her. She said that in the Freedom Party, there were constituency, branch, council, and delegates meeting at which members could express their criticisms.

"I have no intention of being government and being a rubber stamp... You elected us as a government to make Dominica a better place for people to live in," she remarked.

Miss Charles complained that some people wanted to break up her party and she was "not prepared to listen to lying criticism which is intended to make the party break up."

Haiti

General Namphy Tours Southern Area of Country

On Army-People Unity

FL0808215788 Port-au-Prince Radio Nationale in Creole 1300 GMT 8 Aug 88

[Text] The big news here in Haiti is, as everyone knows, the fact that the president of the military government, Lieutenant General Henri Namphy, began a tour of southern Haiti on Friday.

In a press release it sent us, the Ministry of Information and Coordination reports that when Lt Gen Namphy began his official visit, he found himself before a population that lined both sides of National Highway No 2 to welcome him. All along the presidential convoy's route—in Gressier, Carrefour Dufort, Carrefour Fauche, Grand Goave, Petit Goave, Aquin, Cavaillon, (Bergeot)—the population was very happy. There were rara groups and placards all along the way congratulating the head of the military government.

He made stops along the way and representatives of youth clubs, musical clubs, cultural associations, and sports organizations were all present to applaud the military government.

For his part, the head of the military government made many statements in which he said that the Army was the people, and that the Army would defend the country and the Haitian people's interest and security. The Army comes from the womb of the Haitian people. The Army and the Haitian people are one. There is no difference between the the Haitian people and the Army.

Lt Gen Namphy made this kind of statement everywhere he went. He said that everyone was a part of the Army. The people and the Army are two heads under a single bonnet. This time the military government intends to go down to the grass roots to inventory all the problems and all the needs of the rural sections throughout the country. We have to change our approach, because if the country's problems had been examined since 1804, Haiti would not be in the condition it finds itself in today. We must learn to live and work together as brothers.

All the attempts made after 7 February 1986 by certain people—who came from God only know where—to destroy the country and to destabilize the military institution resulted in a resounding failure, said Lt Gen Namphy. We are going to build. The military government is here to build, not to destroy—to build for the well-being of the Haitian people. We must not miss the train. We are pleased today to see that the Casers [Administrative Councils for the Rural Sections, Namphy's original name for the Casecs, Administrative Councils for the Communal Sections] have been formed normally in Haiti. We had noted that without the Casers we would not be able attain real development. We want to create a more just society, a more humane society for everyone. All mouths open. All mouths are made to eat with, said Gen Namphy.

Alluding to the interference of foreign countries that meddle in things that are not their business, President Namphy declared that Haiti's problems can be resolved only by the black men of Haiti. National problems, the problems of Haiti, can be resolved by the Haitian people. The Haitian people can astonish the entire world (?by) showing it how they can settle their own affairs, how they can deal with events in Haiti.

To all professional agitators, to all who think they can create disorder in Haiti, the president issued a serious warning, saying that the Army will never join in. The Army is against disorder and will always be against disorder. If there is disorder, the Army will intervene immediately to reestablish order. That is democracy.

That is what Lt Gen Namphy said during his tour of southern Haiti, which began on 5 August 1988.

Reacts to Dialogue Proposal

FL0808210288 Port-au-Prince Radio Metropole in French 1600 GMT 8 Aug 88

[Monitored in progress]

[Text] ...security throughout Haiti. In his first official reaction to the proposal for a national dialogue made by Mr Marc Bazin of the MIDH [Movement for the Establishment of Democracy in Haiti], General Namphy said Friday that everyone can climb aboard the train but they must comply with the driver's conditions.

On 28 July Mr Bazin proposed that a national dialogue with the military government be undertaken, a dialogue that would result in a national pact guaranteed by the nation's principal moral, socio-professional, religious, and military authorities.

Gen Namphy, who was speaking in Petit Goave during the first day of his 3-day tour of southern Haiti, also advocated a more just and more humane society in Haiti. The nation is sick. It now has a doctor, and we will find the remedy, said Gen Namphy, stressing that only the Army can guarantee democracy in Haiti.

Concludes Tour

FL0808221288 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 8 aug 88

[Excerpts] The general-president's 3-day visit to southern Haiti ended yesterday. Our correspondent in Les Cayes had these details:

General Henri Namphy, head of the military government, inaugurated a few things during his 72-hour visit to southern Haiti. For instance, in Camp Perrin he

inaugurated an administrative complex that will house government offices, as well as a new Telecommunications Co. headquarters and other offices.

On Saturday, he went to Port-Salut to inaugurate a new school. He also visited several clubs in Les Cayes and promised he would do everything he could to get the Department of the South back on its feet. [passage omitted]

As he went through Les Cayes on Saturday, Gen Namphy gave a speech in French in which he encouraged the industrialists who are producing oil of vetiver to help limit deforestation by using fuel oil instead of wood in their factories. The general proposed that they grow their vetiver in the plain and that they grow fruit crops on the hills. He expressed the hope that there would be better control of the activities of the sugar mill in Les Cayes, and he said he would help with this.

The general-president also announced the reopening of the butter dairy of the south, which used to produce a variety of dairy products. They are also going to produce AK-1,000 [fortified version of AK-100, a traditional Haitian gruel made of corn, milk, and sugar] and livestock feed.

In his speech in Creole, the general said he was not there to create democracy, but that he would work to lay the foundations for it.

We must remind listeners that 2 and ½ years ago the general-president promised he was going to lay the foundations for democracy in Haiti. During that same period, 29 November 1987 occurred, as did 20 June 1988, when the military regime was installed. The first time around, the general said that he had no political ambitions and that he was there for 2 years, to lay the foundations for democracy. This time he is talking differently. The general stated clearly that he is not promising democracy, but that he is going to work to lay the foundations for it—the same foundations he was to have laid over the past 2 and ½ years. How much longer is it going to take to lay these foundations for democracy? The champion of democracy said nothing about that.

Also, we must point out that the business of no political ambitions is no longer discussed.

Party Founder Favors Bazin Dialogue Proposal

FL0608030688 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 5 Aug 88

[Text] For his part, Serges Gilles, founder and president of the Nationalistic and Progressive Revolutionary Party of Haiti [Panpra] and a Patriotic Unitarian Bloc [BIP] official, is in favor of the proposal for a national dialogue made by Mr Marc Bazin. He said the proposal is a very courageous one.

Mr Gilles feels that the proposal is not the same as the calculated risk that former President Leslie Manigat took in last 17 January's fraud-ridden election because in the face of a national (?conflict), a national crisis, and a society facing obstructions there are only three political means for democrats to extricate themselves: a national debate and a national dialogue resulting in a national pact.

The national dialogue and the national pact should concern a number of precise issues, such as the economy, jobs, and the problem of Haiti's institutions, the latter being a problem we have had for 100 years, according to Mr Gilles.

In order for us to be able to catch a breath in Haiti, we must be able to create 200,000 jobs, said Gilles. He also stressed that when they say a national pact, everyone making up the different sectors in Haiti—religious, professional, and so forth—should participate.

Grand Goave Protests Priest's Deportation

FL0808153588 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 8 Aug 88

[Text] On Friday afternoon, the military government decided to send the parish priest of Grand Goave back to his country. He is Father Rene Poirier, a member of the Viatorian Fathers [Clerks of St Viator]. They put him on a KLM flight to New York Friday evening without even informing his superiors, without contacting anyone at all. As soon as the the population of Grand Goave heard this, they took to the streets in a demonstration.

[Correspondent Max A. Metellus] After the Army arrested and expelled Father Rene Poirier on Friday following General Henri Namphy's passage through Grand Goave, the military continued sowing terror among the Christian population there to prevent them from assembling. On Saturday, 6 August, at around (?noon), a delegation from the archdiocese of Port-au-Prince arrived in Grand Goave. The delegation was headed by Father Charles Benoit, the vicar general of the archdiocese of Port-au-Prince, and Father (Andre Vem), the head of the Viatorian Fathers in Haiti. Right after the delegation came into town, the marketplace shut down. The population was howling that they wanted Father Rene. While the population was howling, a group of soldiers headed by Lieutenant (Mirard Rene) showed up and dispersed everyone most forcibly. Lt (Rene) was going to force the (?door) of the presbytery, but Sergeant (Weber Milon) calmed him down.

A few minutes later, the delegation met with Sgt (Weber Milon), and also with representatives of several youth groups in Grand Goave and a few chapel representatives. These groups asked the Episcopal Conference to make some kind of statement regarding Father Rene Poirier's exile. They told the delegation that in order for the doors of the churches in Grand Goave to open, Father Rene Poirier must return to Grand Goave parish.

This is Max A. Metellus, Radio Soleil, Grand Goave.

Canada 'Very Shocked'

FL0808154188 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 8 Aug 88

[Excerpts] According to an AFP report datelined Ottawa, Canada has announced that it is very shocked and most displeased by the way the Haitian Government deported Father Poirier. [passage omitted]

According to various sources, reports in Canada say that the 54-year-old priest was deported forcibly. They put him in a jeep in Grand Goave and forced him to take a plane Friday evening to the United States, so that he could go to Canada on Saturday.

Ile de la Tortue Priest Scores 'Macoute' Abuses

FL0608155088 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 5 Aug 88

[Excerpts] A good majority of the population of the Ile de la Tortue has been protesting for some time now to the authorities in Port-au-Prince about the wicked maneuvers of the president of the communal council against the interests of the population of the Ile de la Tortue and against its parish priest, whose actions in favor of the most underprivileged this magistrate has never stopped attempting to hinder. [passage omitted]

Colette interviewed Father (Antoine Richet), the parish priest on Ile de la Tortue.

[Colette] [Passage omitted] What is happening on La Tortue? La Tortue is a small island off Port-de-Paix. There are some 30-35 thousand people living on it. As in many parts of Haiti, especially the more remote areas, the Haitian Government does nothing for these people. They are left to their own devices. Only good samaritans, either the church or some organization, try to do a little something for them now and then. The government does not assume any responsibility for these places. It does nothing in the spheres of health, education, roads, agriculture, or anything like that. However, it does not forget to install representatives there, such as magistrates, tax collectors, section chiefs, and so forth, to collect money and turn it over to the government—and the government never gives these places anything in exchange.

In the past, people would not speak out about these things, even though they were choking on them. Now, however, they are determined to speak out, to say that they are mad and that they are not in favor of governments like that.

Thus the representatives of the government on the island began to get sick of this and got mad at everyone who in one way or another is helping the population see clearly into the game of this voracious, bottomless-pit government.

The problem on La Tortue today involving Father (Antoine Richet), who is the parish priest of the only parish on La Tortue, and certain officials, certain government representatives, stems from this. We are going to listen to the priest himself, who is going to explain where he thinks this problem he has with the government representatives on the island came from.

[Begin recording] [(Richet), in progress] ...as a priest. For the seven years that I have been on La Tortue, I have had problems with the macoute leaders, because La Tortue is a place nobody bothers with. The macoutes reigned sovereign there, and the only people with the courage to say anything were the clergy. Things had been like that from way back. All the priests who had ever been on La Tortue had always had problems with the macoutes. This is because the priest was the only person who had the courage to protest the abuses and the exploitations to which the macoutes subjected the population.

[Colette] Can you give us some examples of the abuses they used to commit or are committing against the population on La Tortue?

[(Richet)] Well, La Tortue has a marketplace, a tax office, taxes to pay, leasing of government lands to pay, and so forth. The first abuse is that the money goes out, but nothing ever comes in, in return. The government makes zero investments in La Tortue. Whatever the magistrate does with the commune's money is not visible. Whatever the government does with the money as far as roads and public services go is not visible. Anything done in the sphere of roads, hospitals, education, drinking water, etc. is done by private organizations. Most of the time it is done by the church. That is one thing.

There was a certain VeVe, (Elvecius Brutus), who was simultaneously magistrate and commander of the militia. When he was head of both the commune and the militia, things were a real mess. Together with the judge, if they arrested a person's cow, the person never saw it again. Once they arrested 14 sheep in a pen. They sold the sheep right then and there and took the money. The owner of the sheep never got a cent. They committed all the different kinds of abuses a macoute can commit in places where there is no control of any kind.

[Colette] And now the population is beginning to say they are not in favor of these things?

[(Richet)] The population was never in favor of it. Now they are talking. They are showing that they don't like it. Before, they didn't like it, but they didn't say so. Now they don't like it and they say so. [end recording]

[Colette] More than a few letters have been written complaining about Father (Richet), asking that he leave La Tortue because—say the authorities—he is unbearable.

In January of 1988, he was summoned to the Ministry of Foreign Affairs because he had been accused of encouraging people to abstain from voting in the CNG's [National Government Council] 17 January Provisional Electoral Council elections. The population did not like the way the members of the BEC [Communal Electoral Office] for La Tortue were chosen—in secret.

Every day there are rumors that they are coming to arrest the priest and ship him off the island, so that the government representatives, who accomplish nothing, can act more freely. For its part, the population has mobilized to prevent this from happening. This has given rise to tension.

Last 27 and 28 June, people came from everywhere to tell the priest that he was not going to be allowed to leave. They demonstrated in the streets in La Tortue.

On Friday, 1 July, while the priest was in the chapel, the news spread that the number 2 communal magistrate and 10 assistant section chiefs armed with machetes were coming from a little village called Nan Palmiste to get the priest. The population hastened to assemble to prevent this from happening. Father (Richet) will continue explaining what happened on 1 July.

[Begin recording] [(Richet), in progress] ...the same thing (?has) started up all over again. I said: What do you mean? Well, they had seen the number two magistrate, a man named (Lorgelus Dolce), who was a big macoute, with about a dozen assistant section chiefs armed with machetes leave Palmiste to go get the priest in Mare Rouge in order to go down to (Mahe) to ship him off to Port-de-Paix.

When the people in Palmiste saw this, they stopped a guy on a motorcycle along the road and told him to go get help. The cyclist rushed to all the plantations—Jacob, (Amarre), (Labasseterre), (Cayonne), all over the place—and everyone mobilized and rushed to go the side of the priest in Mare Rouge.

When they showed up before me in Mare Rouge, I came back with them. There were people (?all around) the vehicle—(?inside, outside), in front, in back, to the right, and to the left. There were even people who had come carrying gasoline. As they passed (Lorgelus') house they asked me if they should set the house on fire. I said: No, don't do that. That is what saved his house. If not, they would have burned it down.

Then we came into town. In front of the barracks, the lieutenant asked me what was going on, and I told him that I didn't know, that they had just come and gotten me. The lieutenant said he didn't know anything about any of this, but all the soldiers were on duty at the barracks, in uniform—which means they knew there was something going on.

Then some people threw rocks at the barracks. Shots were fired. Three men were arrested and spent 3 days in jail. I myself urged the population to be calm. I told them: Don't get into a fight with the Army. Don't clash with the Army. Stay calm. And so therefore nothing happened. I calmed the people down. They took me home and stayed with me. At around 2300, [words indistinct] came and asked what had happened.

[Colette] So, what is the situation like now?

[(Richet)] I later wrote the representative of the Department of the Public Prosecutor and explained the whole situation. The representative of the Department of the Public Prosecutor had already conducted an investigation in January and had seen where all this had come from. I had been summoned to the representative's office, together with Joachim and VeVe. Also, I explained to the representative everything that had happened. I mean, here I sit at home. I didn't attack those men. I was busy working. They attacked me! I didn't attack them! [end recording]

[Colette] For now, the people of the Ile de la Tortue want Father (Antoine Richet) to remain on the island and be allowed to work in peace. They want to know what is being done with all the tax money they pay the Haitian Government in the form of taxes paid for renting of premises, taxes paid to the tax office, payment for marketplace-site cards, and the leasing of land. They also want to know why the government representatives in question are persecuting people who help the population of La Tortue.

Jamaica

JLP Members Protest Cecil Charlton Candidacy

FL080813248 8 Bridgetown CANA in English 2043 GMT 6 Aug 88

[Text] Kingston, Jamaica, Aug 6, CANA—A public row has broken out within the ruling Jamaica Labour Party over its dumping of deputy parliamentary speaker, Sydney Beumont, as a candidate in the coming general elections here. A week ago the JLP announced that colourful businessman, Cecil Charlton, had been selected to contest the Central Manchester seat in South Central Jamaica, but scores of Beaumont supporters Friday demonstrated against the move.

"Money can't beat us," said some of the placards carried by demonstrators, an obvious reference to the wealth of Charlton.

It is the second public disagreement over JLP candidate selection for the election which Prime Minister Edward Seaga must call by next April.

Last month the JLP expelled well-known female politician Princess Vernon after she announced that she would run as an independent, having been overlooked for a seat in the northwestern parish of St. James.

Beaumont, a high school principal first elected to parliament in 1980, claimed that Friday's demonstration in the Manchester capital of Mandeville was spontaneous, and expressed "disgust" with the manner in which Charlton was chosen to replace him. Beaumont has said that the selection meeting was not properly constituted with only 29 of the 600 constituency delegates attending.

The GLEANER newspaper reported Saturday that Beaumont had said in a letter to the paper that the moves to oust him began a year ago when "I was implored to step down because I would not be able to stand the expected gun violence."

Beaumont said that he was willing to step down as the candidate if JLP constituency party voted against him and in favour of Charlton.

However, JLP spokesmen say that the decision was based on the demand of the constituency and the expectation that Charlton, a well-known figure in Manchester, would do better against the strong Peoples National Party (PNP) candidate, John Junor.

Charlton has served as mayor of Mandeville representing both the PNP and the JLP.

Charlton, who lost his local government seat in 1986 after more than 30 years involvement in municipal politics, said he had only decided to run for the national parliament after 14 months of constant persuasion. Seaga had personally asked him to accept the seat, Charlton said. He said that he would be willing to step aside for the quiet-spoken Beaumont if that was what the majority of people wanted.

Opposition Proposes Annulment of Elections

PA0708160388 Mexico City EL DIA in Spanish 5 Aug 88 p 6

Article by Ruben Arizmendi]

[Text] Saying they want to defend the purity of the election process, Manuel J. Clouthier, Cuauhtemoc Cardenas, and Rosario Ibarra have proposed that the recent elections be annulled and that another election be held if an attempt is made to impose officials whose authority is the result of what they described as "fraudulent" elections.

Yesterday the three former presidential candidates signed an agreement saying they would defend the people's right to vote without relinquishing their parties' identities or abandoning their programs. Accompanied by Edgar Sanchez and Abel Vicencio Tovar, members of the PAN [National Action Party] and PRT [Revolutionary Workers Party] committees, respectively, and former PMS [Mexican Socialist Party] presidential candidate Heberto Castillo, the former rightist and leftist candidates said democracy cannot be built by violating the people's rights. PAN's Clouthier, the FDN's Cardenas, and the PRT's Ibarra stressed that they are not calling on the people to incite violence. They added that "the government and the powerful sectors that still support it would be held responsible for any public disturbances."

During a press conference and in the document that Ibarra read, the leaders said: "The government has the unavoidable duty of carrying out the transfer of power with all propriety while strictly abiding by the democratic mandate, upon which the government's authenticity is based."

After they signed the agreement, the three leaders held a news conference, during which Cardenas said: "The great majority of the Mexican people are represented by these signatures."

Regarding the recent reports of cooperation with the government, Cardenas, a former Michoacan governor, said: "We are not in the least interested in working with them. We are not after more deputy or senator seats, much less administrative positions. We only want Mexico to become democratic."

He also said there is no ideological relationship with PAN or the PRT. "We only seek to protect ourselves at the polls and we are trying to find the best way to clarify the presidential elections."

Clouthier said the document they signed does not deal with some candidates supporting other candidates or partiescompromising their principles in favor of other parties. He said the purpose of the document was to be loyal to the voters so that democracy can prevail. "We are not seeking ideological or candidate alliances," he added.

Ibarra said: "We are not mixing oil and water. I am still a socialist and will continue to struggle for socialism. Should Cardenas or Clouthier come to power, they would receive constructive criticism from us."

In conclusion, Cardenas said they would continue to sponsor activities throughout the country to increase the people's forces. He said these forces demand both the cancellation of the elections and respect for the majority's will.

1988 Foreign Debt Interest, Amortization Figures

PA0808225288 Hamburg DPA in Spanish 1857 GMT 8 Aug 88

[Text] Mexico City, 8 Aug (DPA)—In 1988 Mexico must pay $16.1 billion in interest and amortization on its foreign debt.

Interest totals $9.4 billon. Citing confidential reports from the Mexican Finance and Public Credit Secretariat, today's edition of Mexico City's newspaper EL FINANCIERO reported that amortization totals $6.7 billion.

During the first half of this year the foreign debt decreased by $4.6 billion and now stands at $102.9 billion.

Since April, foreign exchange reserves have decreased by $4 billion and now stand at $11.8 billion.

Secretary on Oil Revenue Losses, Nuclear Plant

PA0608043488 Mexico City XEW Television Network in Spanish 1300 GMT 5 Aug 88

[Text] Fernando Hiriart, secretary of energy, mines, and parastate industry, has reported that so far this year Mexico has lost $350 million because of the drop in oil prices. He said that if the trend continues, losses will exceed $700 million by the end of 1988.

Hiriart also spoke about the sale of parastate industries. He explained that by the end of this year, the government will only own 90 businesses. He said they will be divided up into 16 groups. Of these, he mentioned Sugar, Inc. [Azucar S.A.], Sidermex [Siderurgica Mexicana], and Pemex.

Fernando Hiriart met with members of the Cuban State Committee for Economic Cooperation to increase technical cooperation. Joaquin Carrion, director of the Federal Electricity Commission, participated in this meeting and said that electricity rates will not be increased at least until the end of 1988.

With regard to [the nuclear power plant at] Laguna Verde, Carrion said that the power plant is structurally complete and that only security details remain to be finalized before the decision is made on whether the plant should begin operation.

Belize

Barrow on Proposed Constitutional Changes

FL0808140388 Bridgetown CANA in English 1546 GMT 7 Aug 88

[Text] Belmopan, Belize, Aug 7, CANA—Belize's foreign minister and attorney general, Dean Barrow, says the government's proposed constitutional changes are mostly a tidying-up exercise to make the constitution more democratic.

Barrow defended the constroversial plans to amend the constitution in a television talk show which was aired by local television stations. The parliamentary opposition had earlier described the proposed changes as "a threat to democracy."

Prime Minister Manuel Esquivel introduced a bill "to make miscellaneous amendments to the Belize constitution" in the house of representatives on June 4. The major amendments to the constitution which the government wants are to adjust the compostion of the Belize Advisory Council to remove the governor as chairman of the body. The council has been established to advise the governor general on matters relating to the constitution or any other law the council is called upon to consider as well as on the appointment of senior civil servants.

A date for the debate in parliament has not yet been set. The government needs to have ninety days after the first reading of a bill to amend the constitution before such amendments can be debated in the house of representatives and passed by the legislature.

One proposed amendment would give the prime minister the power to decide on the membership of the election and boundaries commission and to give the national assembly final word in the creation of new electoral divisions. The third major changed proposed in the constitution is to formalise the Security Intelligence Service (SIS) so that it is recognized by the constitution.

The SIS is a secret police which was established by the Esquivel government and which the opposition Peoples United Party has promised to disband if it is returned to power.

Yet another proposed change in the constitution is to give to government the power to confiscate private land for wildlife reserves without renumeration to the land owners.

There are seventeen other proposed constitutional changes which are related to the four major proposed amendments.

Costa Rica

Arias Asks Ortega To Free Prisoners, Open Media

PA0808202788 Panama City ACAN in Spanish 1626 GMT 8 Aug 88

[Text] San Jose, 8 Aug (ACAN-EFE)—Costa Rican President Oscar Arias asked Daniel Ortega, his Nicaraguan counterpart, to lift sanctions on his country's media and to release political prisoners prior to leaving to attend the inauguration of the new Ecuadoran president.

"I think," Arias suggested to Ortega, "that it would be encouraging to rectify, as soon as possible, certain political decisions made by your government after the unfortunate incidents in Nandaime," where disturbances and clashes occurred 1 month ago between the authorities and opponents of the Managua regime.

The incidents resulted in the wounding of several people, and police arrested some opposition leaders. In addition, the government decreed the closing of several media for an indefinite period.

In a letter that Arias sent to Ortega on Saturday and released in this capital today, the Costa Rican president advocated freedom and democracy and noted that it is easier to rectify mistakes when they are made on the road to peace.

Arias stated: "The media that were closed must be reopened." He added: "Prisoners must be released, and the prison sentences given to those punished for the incidents must be suspended."

Arias, a Nobel Peace Prize recipient in 1987, reminded the Nicaraguan leader that "our commitment is most sacred. It means continuing the advance toward democratization." He added that the peace plan "compels us to restore confidence as soon as possible."

"I think," Arias continued, "that it would be a sign of trust in the future of peace and a noble gesture toward Don Rodrigo Borja (Ecuadoran president-elect) and toward the strengthening of Ecuadoran democracy if you went to Quito after retracting the backward steps that were taken on the road to democracy—the sanctions on the media and the imprisonment of men and women."

Arias stressed that only by correcting mistakes can "Central Americans move forward and prevent the continuation of armed aggressions in our nations."

Arias suggested the resumption of negotiations with the "contras" to reach a definitive suspension of military actions and to provide an "encouraging example" to many people in Central America and other nations.

The Costa Rican president offered to the Managua government the use of Costa Rican territory and other assistance to make these negotiations possible.

Ortega left for Panama today without responding publicly to Arias. He will go to Ecuador on Wednesday to attend Borja's inauguration.

According to political sources, this opportunity will be used to resume diplomatic relations between the Governments of Ecuador and Nicaragua, which were broken 3 years ago by outgoing President Leon Febres-Cordero.

Situation 1 Year After Arias Plan Viewed

PA0608225688 San Jose LA REPUBLICA in Spanish 30 Jul 88 p 12

[Editorial]

[Text] In just a few days, it will be the 1st anniversary of the signing of the so-called Arias plan. Therefore, it would be good to evaluate its achievements and failures.

The immediate results have been favorable for the country: Costa Rica has become known throughout the world, which was later reinforced by our president's being awarded the Nobel Peace Prize. More important than the propaganda aspect was that the plan helped Central Americans regain the initiative in solving their own conflicts and move away from groups foreign to our interests, such as the Contadora Group.

A third favorable consequence was the beginning of attempts between the parties in conflict, both in El Salvador as well as in Nicaragua, to try and resolve their differences through dialogue and not the use of weapons.

As a consequence of the foregoing, for a brief period some positive steps were taken, especially by the Sandinists, for setting the basis for a stable and lasting peace in our neighboring country to the north. We recall the temporary reopening of the media, the lifting of the state of siege, the start of the Sapoa talks, and so on.

In fact, when the second meeting of the INCAE [Central Amereican Institute of Business Administration] presidents took place, there was great optimism at its conclusion because the Sandinists showed a greater openness than on previous occasions.

Unfortunately, the favorable results of the Arias plan on its 1st anniversary ends here, because its fulfilment has come up against unbreakable barriers of structural and incidental bases.

Of course, among the first is the mistaken one-way U.S. Government policy, insisting on using only military pressure to make the Sandinists negotiate effectively with the contras, which has served as the perfect excuse for the Sandinists to not comply with many of the obligations contracted at Esquipulas.

At the same time, the contra's military and political weakening has hardened the Sandinists' position at the barganing table, because the military threat they had a few months ago has virtually disappeared.

In El Salvador, the Christian Democrats' internal struggles have weakened the government's position before the guerrillas, which has worsened with President Duarte's recent illness.

In Honduras, President Azcona is facing a very difficult situation, because there is a "contra" army inside his territory that could possibly outnumber his own Army.

In Guatemala, President Cerezo's honeymoon with the guerrillas, which lasted the first few years of his administration, is over. It would also seem as if the ultrarightist military men, instigated by the most recalcitrant leaders of the country, are also trying to destablize the Guatemala democratic regime. The Guatemalan democracy, which was appearing to emerge from the black tunnel of military repression, is apparently in danger of falling again into such a situation.

Within the framework of the structural causes that have prevented the peace process in Central America, there are two that were predictable since the signing of the treaty: The definition of democracy in the Arias plan is so ambiguous that it allows the Sandinist pettifoggers to insist their regime is democratic. Shielded behind this argument, the Sandinists insist their political system is democratic and have thus complied with the Arias plan. Of course, we all know this is a fallacy, but the ambiguous wording of the treaty gives them an excuse for this bizarre Sandinist interpretation.

The other structural cause, which is perhaps the most serious, is that the Arias plan did not provide for any mechanism of effective pressure in the event the Sandinists were not to comply with their obligations and promises. In other words, the Arias plan is based on a naive premise that time has uncovered: The Sandinists, as if by magic, are complying with the Esquipulas commitments without the need for external pressures, in such a way that after a short period of time Nicaragua would be enjoying peace and democracy. However, the truth is something else: The Sandinists are only interested in peace in their territory, but not in a democratic, political regime. Therefore, one of the basic principles of the Arias plan—which is peace based on the effective democratization of the totalitarian regimes—is not compatible with Sandinist politics, and this was known beforehand.

This is, in short, the balance of the Arias plan 1 year after it was signed. The outlook looks difficult, because the problems in implementing the plan are increasing every day in addition to the fact that some of its structural weaknesses prevent it from being feasible.

El Salvador

Castillo on Esquipulas, Nicaraguan Compliance

PA0808233888 San Salvador Radio Cadena YSU in Spanish 1800 GMT 8 Aug 88

[Statement by Acting President Rodolfo Antonio Castillo Claramount on 8 August; place not given—recorded; broadcast in progress]

[Excerpts] ...I do not believe another agreement or initiative could be produced that would nullify, (?limit), or negatively affect the Esquipulas II agreement. It is important for the countries to display the willingness, responsibility, and true, sincere political determination needed to comply with all of the points in the agreement. [passage omitted]

This includes the vice presidents' continuing effort to present a common regional front to international organizations such as the EEC and the United Nations. This way agreements can be reached that will make it possible for Central America to receive considerable short- and long-term aid. [passage omitted]

With regard to Nicaragua, we must make firmer demands and tell that country exactly with what it must comply so it can benefit from the Esquipulas agreement and this entire policy and plan. The problem is that Nicaragua has very astutely manipulated the situation and played the role of the martyr, thus receiving the benefits of the agreement without being pressured to comply with the agreement. This is incredible, paradoxical, and unacceptable. I cannot explain how the countries could deceive themselves into believing Nicaragua is willing to comply with the agreement when it has demonstrated the contrary.

Col Ponce Assesses 'Perquin II' Operation

PA0408171288 San Salvador Canal Doce Television in Spanish 0300 GMT 4 Aug 88

[Excerpt] Colonel Rene Emilio Ponce held a news conference in Perquin, 200 km northeast of San Salvador, Morazan Department. He provided the latest results of the second military phase of the "Perquin II" operation. He labeled it a success for the Armed Forces because of the dismantlement of guerrilla redoubts, which are regarded as the rebel's chief strongholds in this strife-torn department:

[Begin Ponce recording] During the clashes, 28 terrorists have been injured; we have seized 8 weapons, namely, AR-15 and M-16 rifles and carbines; we have destroyed 8 terrorist camps and defused 18 mines; and we have dismantled a repeater of the terrorists' clandestine radio station in an area close to Perquin. As for us, 3 soldiers were killed and 11 were injured. [end recording]

Col Ponce added that three guerrilla commanders and fighters were killed. The top-ranking military chief said the "Perquin II" operation not only includes military aspects but the rapprochement between soldiers and the residents of towns affected by the armed conflict:

[Begin Ponce recording] We have changed the concept behind the "Perquin II" operation. We are using a political and military concept, especially in Perquin. The people of Perquin, in northern Morazan, have been subject to threats and terrorist actions by the FMLN members who belong to the People's Revolutionary Army, which is why the civilians here are very reticent with our troops. Arce Battalion has been here 2 days. However, our duty in this operation is to change the attitude and behavior of civilians toward the Armed Forces. That is why the Arce Battalion will remain in this area as long as we can, based on that objective. [end recording]

Perquin, a thriving city 8 years ago, has been reduced to poor homes. Its streets and walls mirror the impact of the conflict. It had been desolate for over 2 years. Its residents have gradually begun to return to their homes. However, the number of residents is small compared to what it was years ago. This isolated area is a guerrilla corridor. The guerrillas claim it is a liberated zone. Meanwhile, the Army claims to have controlled the zone during its brief stay here. However, Perquin peasants still have not recovered from their lossess and talk about their difficult economic and social situation as targets of the warring sides. [passage omitted]

Guatemala

Government Urges Dialogue To Resolve Problems

PA0808211688 Guatemala City Radio Nuevo Mundo in Spanish 1200 GMT 8 Aug 88

[Communique issued by the Public Relations Office of the Presidency—date and place not given]

[Text] The government once again reminds the nation's workers and people in general that we will not resolve our problems through violence. There are channels and means of communication provided by the democratic system with which to reach agreements through dialogue.

The government has devised and is implementing a number of important actions to strengthen Guatemala's economy. They are difficult but timely measures. It is hoped that these measures will guarantee the supply of food staples, job security, a realistic salary policy, investments for development, and improved public services.

The government is also implementing price controls on food staples to fight speculation and to prevent a deterioration of the Guatemalan family budget.

We believe that permanent dialogue with workers, businessmen, and the people is the best way to promote the democratic process, which has weaknesses but also great strengths and which will ensure that we will reach agreements on economic, social, and political actions. These actions will allow us to achieve national reconciliation and to open the doors to finding a solution to national problems in the short, medium, and long term.

Army Denies Officer 'Discontent' at Brigade
PA0808205688 Guatemala City Teleonce Television in Spanish 0400 GMT 8 Aug 88

[Text] The Army issued a communique on Sunday denying rumors of discontent among officers in the Mariscal Zavala Military Brigade.

According to the communique, military activities in that brigade as well as in all other military units in the country are normal. The communique added that military training as well as social activities with civilian participation continued normally during the weekend.

Closed Newscast To Resume Broadcasts From U.S.
PA0808233588 Panama City ACAN in Spanish 1855 GMT 8 Aug 88

[Text] Guatemala City, 8 Aug (ACAN-EFE)—Guatemala's "Here's the World" ["Aqui El Mundo"] newscast, which was closed on 6 June, will resume broadcasts via satellite from the United States to Central America, the Caribbean, and part of South America.

Today Mario David Garcia, director of the television newscast and a 1985 presidential candidate, told ACAN-EFE that "it is distressing to be forced to leave one's own country to freely express one's ideas."

"Here's the World" was closed on 6 June when Guatemalan television Channel 3 refused to extend Garcia's contract after Vinicio Cerezo's government closed the newscast for a month "for promoting destabilization."

Mario David Garcia, a newsman and an opposition member, was accused by Cerezo's government of involvement in the 11 May coup attempt, but he was released on his own recognizance and was later granted "political amnesty."

Garcia says that the first "test" broadcast will be carried out on Thursday from coast to coast in the United States and Central America via the SATCOM-UNO (F-1) satellite, and may be received in the Caribbean, Panama, Colombia, Venezuela, and northern Brazil.

Garcia pointed out that the "tone" of the newscast, which was closed "as a result of government pressure," will be the same, explaining that the newscast will not reflect "opposition to the Christian Democratic regime, but an honest appraisal of the situation in Guatemala." He added that his inescapable obligation is "to defend the people and to denounce the government's mistakes, which does not imply criticism of the entire system of government."

The director of the "Here's the World" newscast said that "test" broadcasts will be carried out until 20 August, at which time regular 1-hour broadcasts will resume from 2100 to 2200, Sunday through Friday.

The program will deal with Guatemalan events to keep "fellow nationals residing in the United States" well informed. Garcia added that "the program will also be viewed in Guatemala."

Nicaragua

Ortega, Delegation Leave for Panama, Ecuador
PA0808131088 Managua Radio Sandino in Spanish 1245 GMT 8 Aug 88

[Comunique No 54 issued by the Press and Information Directorate of the Presidency in Managua on 8 August]

[Text] The Press and Information Directorate informs the Nicaraguan people of the following:

Today, Monday, 8 August, the Nicaraguan Government delegation, led by President Daniel Ortega Saavedra, coordinator of the FSLN National Directorate's Executive Commission and commander of the revolution, left for Panama on an official visit.

The Nicaraguan delegation will hold top-level meetings with Panamanian Government officials. In addition, the delegation will participate in the Amphictionic Congress, which will include the participation of more than 200 delegates from Latin America and the Caribbean.

On 11 August, President Ortega and his retinue will travel to Quito, Ecuador, where relations between Ecuador and Nicaragua will be officially resumed.

Managua, 8 August 1988

For a dignified peace, free fatherland or death!

[Signed] Press and Information Directorate of the Nicaraguan Presidency

Esquipulas Agreements Viewed on Anniversary

Vice President Ramirez

PA0808173388 Managua Radio Sandino in Spanish 1217 GMT 8 Aug 88

[Interview with Vice President Sergio Ramirez Mercado by unidentified reporter; date and place not given—recorded]

[Text] [Ramirez] On this 1st anniverssary of Esquipulas, I would say that if an organization like the International Verification and Follow-Up Commission [CIVS], which was established by Esquipulas, were to assess the fulfillment of the treaties, it would have certified that Nicaragua leads all the Central American countries by far in regard to fulfilling the terms of the treaties.

Although CIVS cannot issue that certificate—since several Central American countries did not allow it to work—I would say that we have important documents proving our position. I would like to mention two of them. We have two certificates issued by the National Reconciliation Commission—one issued in November 1987 and the other one in March 1988—which clearly state that Nicaragua has honored Esquipulas. Those certificates were signed by all the members of the National Reconciliation Commission, which is chaired by Cardinal Miguel Obando y Bravo.

I believe it would be a good idea to summarize what those certificates say. First, Nicaragua was the second Central American country after Guatemala to ratify the treaty creating the Central American parliament. Neither El Salvador nor Costa Rica have ratified it. For months, we have been ready to elect the members of the Central American parliament. This election is included in the new electoral code that is being discussed by our National Assembly.

We suspended the state of emergency; we reestablished full freedom of the press and let political parties operate; and we began a dialogue with the opposition political parties in accordance with Esquipulas. The dialogue was not broken because of the government but because some extreme right-wing parties began to use Esquipulas to violate the country's norms. They broke the dialogue in accordance with the U.S. Administration orders.

We are the only Central American country that opened a dialogue with the counterrevolutionary forces. We signed the Sapoa agreement. The other Central American countries, which are experiencing armed struggles, have not even been able to sit down and talk with the armed groups. The Sapoa agreement also failed because of well-known causes and because of U.S. pressures and blackmail.

The most important thing for us is that the process remains open. It has not been destroyed. The U.S. Government is the one that began destroying Esquipulas immediately after it was signed. We insist that Esquipulas remains open and alive.

We insist that the counterrevolutionary forces—regardless of whether their leader is Bermudez, Cesar, or Calero—must sit at the negotiating table again to agree on a permanent cease-fire. We are willing to resume the dialogue with the political parties, because we never broke off the dialogue. I must stress that while Nicaragua always tried and continues trying to faithfully honor the letter and spirit of the agreements, the U.S. Government and its allies in and outside Nicaragua are determined to hinder, violate, break, and boycott the agreements. That has been the basic element of this situation. They encouraged the Nicaraguan extreme right-wing forces not to take advantage of the political opportunity granted by the Nicaraguan Government in accordance with Esquipulas and the Constitution but instead chose to use it to upset constitutional order.

The U.S. Government has not changed its methods concerning the extreme right-wing forces. It encourages them not to respect Nicaragua's internal legitimacy and laws. That is the main problem we are facing, because not only the Nicaraguan Government, but all the forces of Nicaraguan society must fulfill Esquipulas.

[Reporter] Despite the Nicaraguan Government's efforts to honor Esquipulas and those of the other Central American countries, should we say Esquipulas failed?

[Ramirez] I would say the U.S. Government—the Reagan administration—is the one that has not abided by Esquipulas. If we analyze compliance with Esquipulas, we would reach a simple conclusion. The Central American governments cannot protect or shelter rebel forces that try to overthrow other Central American governments. However, we have the case of Honduras, which disregarded that essential point, although we must say that the U.S. Government is more to blame than Honduras in this regard since the former supports, leads, and finances the counterrevolution and has based it in Honduran territory. This is a flagrant violation of the Esquipulas agreement.

Vice Minister Tinoco

PA0808225888 Managua Radio Sandino in Spanish 1200 GMT 8 Aug 88

[Text] Yesterday Nicaraguan Vice Foreign Minister Victor Hugo Tinoco said that Esquipulas II is a beneficial process for peace in Central America, but he said the process has begun to move backward, which makes new regional negotiations necessary.

Tinoco made those statements on the occasion of the 1st anniversary of the Esquipulas agreements. Because of his participation in the entire negotiating process, which

began with the Contadora and Support Groups and continued with Esquipulas and Sapoa, Tinoco is considered to be an experienced negotiator and an exceptional witness of this long struggle for peace in the region.

In his statements, Tinoco stressed the Central American government that has made the most efforts to honor the agreement signed at Esquipulas undoubtedly is the Nicaraguan Government. Among those efforts Tinoco mentioned the cease-fire, the negotiations with the contra movement, the national dialogue, amnesty, freedom of speech, the National Reconciliation Commission, and others.

Tinoco added that unfortunately the governments of El Salvador, Honduras, and Guatemala did not use the Esquipulas agreements as a way to try to resolve their disagreements with the domestic opposition but used them as instruments of their foreign policy toward Nicaragua.

Tinoco said: We believe that Esquipulas is an agreement signed by five Central American countries and that it also includes obligations for the U.S. Government, all of which it sabotaged and ignored to hinder the peace efforts.

According to Tinoco, to achieve the desired goal we must reactivate Esquipulas on the basis that it is an agreement involving the five Central American governments and one that the U.S. Government must respect. Tinoco added that the Esquipulas agreements involve all social and political groups in each country and include the reactivation of the international mechanisms for the verification of the agreement, regardless of the interests of the region's governments.

Obando y Bravo on Contra-Government Talks

PA0808005088 Managua Domestic Service in Spanish 1813 GMT 7 Aug 88

[Interview with Cardinal Miguel Obando y Bravo by Roberto Gonzalez and an unidentified Radio Sandino reporter at Las Sierritas Church in Managua on 7 August—recorded; broadcast in progress]

[Text] [Obando y Bravo] ...the basic element is missing. You know that the cease-fire should have been in effect and other [6-second break in reception] freedom of speech, if our own Radio Catolica is closed indefinitely. In addition, full amnesty should have been declared, but it has only been partially declared. The Nicaraguan Resistance [RN] also has some prisoners. The democratization process has not taken place, either. However, we must not feel discouraged. I said that at mass today. I do not know how much more we must bear, but Christians do not despair; they continue to struggle.

[Gonzalez] Your Eminence [laughs], we open paths by traveling, right?

[Obando y Bravo] Right. There is no path; we open paths by traveling. We must continue walking to try to find our way. I believe extremely rigid positions do not lead us anywhere. I said that at mass today. The government wants to destroy the armed resistance and the armed resistance wants to destroy the government. I believe extreme positions cannot succeed. We must seek moderate solutions. Politicians should do that. They should spend 24 hours a day trying to find solutions.

[Gonzalez] Your Eminence, in your interview with LA PRENSA yesterday you said that it is likely that talks will be resumed after August. What about that? The second question is about the statements made by the witnesses—you and OAS Secretary General Joao Baena Suarez. Have you made statements jointly or separately?

[Obando y Bravo] In answer to your first question, I believe it is very difficult for them [the Nicaraguan Government and the RN] to sit at the negotiating table over the next few months, but I think they must, because it will be regrettable if we Nicaraguans decide to resolve our problems with weapons. Reason must prevail.

Concerning your second question about whether we have made separate statements, I can say no. Although sometimes the process is slow, we have always tried to agree on everything and to sign jointly. Other statements have arrived lately. For example, yesterday I received one from the government. It was already Saturday afternoon. It was too difficult to sign it right then. We must analyze it. We have a group of people working with us. We have 100 people ready to handle issues concerning verification. We also have lawyers. We all analyze the documents, and we will try to agree with OAS General Secretary Baena Suarez in order to sign jointly.

[Gonzalez] Have you been in touch with the government and the RN lately?

[Obando y Bravo] We, the members of the National Reconciliation Commission, sent a letter to the government. We told President Ortega that we want to discuss the country's problems. We have not yet received a written reply. Last Thursday, we met with Presidency Minister Rene Nunez at the curia, and he told us that we could possibly meet with President Ortega after 16 August, but no definite date for that meeting has yet been set.

[Gonzalez] Have you had any contacts with the RN?

[Obando y Bravo] I have not met with the RN since the last time I saw them at the Camino Real Hotel. Sometimes my telephone is out of order. We have only received some facsimile messages asking for Mr Baena Soares and me to provide verification.

[Reporter] Cardinal, will it be possible on Thursday for you to receive the mothers of the people kidnapped [by the RN]?

[Obando y Bravo] They have always... [changes thought] What newspaper do you work for, young lady?

[Reporter] Radio Sandino.

[Obando y Bravo] Radio Sandino. The mothers have always been received. As a Radio Sandino reporter, you must recall that I personally received one group. Later, Msgr Bosco [Vivas] received them. Afterward, Msgr Bosco and I met with another group. Later, Msgr Leopoldo Brenes and Msgr Mata [met a group of mothers]. We have been receiving them.

It is unnecessary for me to meet with them directly every day. It is the same thing everyday, and it is a political game. We regret what these mothers are going through. I personally have said many times that we have interceded for their prisoners. You will observe that in today's mass I mentioned them. When there are no underlying political aims, we can try to resolve these problems. However, when there are political overtones, it is very difficult to resolve them. If they continue to go to the curia, they will be received by the auxiliary bishops who represent me. Thank you.

National Reconciliation Commission Meets

PA0508123788 Managua Domestic Service in Spanish 1810 GMT 4 Aug 88

[Report by Roberto Gonzalez Rocha]

[Text] The National Reconciliation Commission meeting at the archbishopric in Las Sierritas, Managua, ended 10 minutes ago. Commission President Cardinal Miguel Obando y Bravo, Presidency Minister Rene Nunez, Mauricio Diaz, Erick Ramirez, Gustavo Parajon, and other commission members attended the meeting. During the meeting, commission members discussed the possibility of a dialogue between the government, political parties, and the private sector. Each member expressed his opinion regarding this dialogue, which the commission will coordinate if it is held. The commission also evaluated the regional peace commissions' performance and discussed the contra attacks that have occurred during the past few weeks, especially the attack on a boat traveling from Bluefields to El Rama on Rio Escondido, in which 2 people were killed and 27 others, including a U.S. citizen, were wounded. This attack occurred 2 days ago.

In addition, Cardinal Obando y Bravo raised the issue of what he termed harassment by a group of mothers who demonstrate every Thursday in front of the archbishopric. The mothers are demanding their children be returned to Nicaragua.

Nunez, Diaz on Meeting

PA0608002788 Managua Radio Corporacion in Spanish 0400 GMT 5 Aug 88

[News conference held by Presidency Minister Rene Nunez and Mauricio Diaz of the Popular Social Christian Party with unidentified reporters following a National Reconciliation Commission meeting on 4 August; place not given—recorded]

[Text] [Nunez] It was a very positive meeting because we exchanged views; we agreed that the work of the Reconciliation Commission is important and that we must continue our efforts.

[Reporter] What about those involved in the Nandaime trial?

[Nunez] They are in the hands of the judicial system, which will make a decision.

[Reporter] What can you tell the people about the dialogue proposal?

[Nunez] There is no dialogue proposal at this time. The Reconciliation Commission wants to resume the national dialogue without any prior conditions.

[Reporter] What about your proposal to call the media to a meeting to urge all media to reflect on their attitude?

[Nunez] That idea emerged from a discussion within the commission. We argued that it is appropriate for the Reconciliation Commission to urge political parties and the media to strictly abide by the law, because there has been no political repression or revenge against the media in this country. We have enforced the law when individuals or institutions violate it.

[Reporter] As for the (?verification) of the accords, does the commission already have a specific idea as to how to verify compliance?

[Speaker] Mr Mauricio Diaz, would you answer that question?

[Diaz] I believe that His Eminence [Cardinal Miguel Obando y Bravo] should answer that question, because verification per se will be carried out by a verification commission. The National Verification Commission must monitor the steps taken by the government. We have already issued a number of reports on this to the executive commissions. We are now involved in the phase of evaluating and redefining the commission's objectives.

In fact, today we also discussed the role of regional and departmental peace commissions. This is an important issue because some of them are operating in certain regions of the country, especially in Region Five, which is a war-torn, long-suffering area.

Former Contra Leader on Bermudez 'Corruption'
PA0908005188 Madrid EFE in Spanish 1646 GMT 8 Aug 88

[Text] Miami, 8 Aug (EFE)—Today former contra leader Jose Francisco Cardenal said that "corruption" among Nicaraguan Resistance (RN) political and military leaders is the main reason "for the failure of the attempts to achieve liberty and democracy in Nicaragua."

In an interview with EFE, Cardenal, one of the founders of the Nicaraguan Democratic Front (FDN), charged military leader Enrique Bermudez, a former colonel in Somoza's National Guard, and Argentine "goons" who share the contra leadership with Bermudez with taking funds that the CIA delivered in Honduras. Cardenal, who said he detailed this "corruption" to U.S. Senate investigator Jack Blum during a meeting in Miami on Thursday, repudiated Bermudez and some of the "corrupt and opportunistic" politicians who were his fellow RN Directorate members.

He said several Nicaraguan officers and the Argentine advisers who joined them in 1982—he described them as goons—exaggerated the payrolls of the various contra groups and kept most of the extra funds for themselves.

According to Cardenal, these officers reported, for instance, having 10,000 men at one place while they had only 5,000. They then shared the extra money among themselves. He said this is what was known as "phantom payrolls." "This trick benefited not the peasants or the true patriots who shed their blood to free their country from Sandinism and to restore democracy and liberty, but those who handled the funds," a handful of military officers intent on profiting from the war, he said.

Cardenal asserted that none of those leaders intended to restore democracy in Nicaragua and that, while the Argentine goons wanted "to establish a totalitarian regime like the one that existed in their home country, the Somozists wanted to lead us back to Somozism."

He also demanded "an end to this bloodshed in exchange for money" out of respect for the people who have been killed in the struggle to free Nicaragua. In addition, Cardenal asked for "a political decision to achieve what the Nicaraguan people desire; namely, liberty, respect for human rights, and democracy."

He said the current political and military leadership does not represent the interests of the Nicaraguan people but "those of the United States and, particularly, of the CIA, which has only betrayed its allies so far."

Cardenal told Blum, who heads the staff of a U.S. Senate subcommittee that is investigating contra activities, that he had no information about the contras dealing in drugs but that "this could well have happened, however." He told Blum: "They are murderers and thieves, so they could have done anything."

D'Escoto Visits Mexico, Comments on 'Struggle'
PA0708175088 Mexico City EL DIA in Spanish 5 Aug 88 p 11

[Article by Jose Garcia Segura]

[Text] Nicaraguan Foreign Minister Miguel D'Escoto Brockman has arrived in Mexico and has said that if peace and democracy cannot be achieved by use of reason, then it is valid for Latin America to use weapons. He reiterated that when reason is not used, Latin American peoples have no other path to follow than the path of weapons. All means of achieving peace are valid, he said.

Although D'Escoto is on a "strictly personal" visit, this has not ruled out the possibility that he will meet with his Mexican counterpart, Bernando Sepulveda Amor, and the president of the republic. He was met at the airport by Nicaraguan Embassy personnel led by Ambassador Claudia Chamorro.

D'Escoto then wondered what the future of peace would be if there were no countries like Nicaragua that were willing to defend and to struggle to the end for their sovereign interests and to follow their own destiny in the political, social, and economic fields.

"This is Nicaragua's decision," the foreign minister said, adding that this is the greatest contribution to the struggle of the other peoples of Latin America and the entire world for the sake of peace.

The foreign minister accused the Reagan government of refusing to attend a dialogue and of trying to use the war to see if Nicaragua will surrender. The U.S. Government, he charged, seeks to force us to beg for mercy, in other words, to surrender.

Nicaragua will continue defending the legal equality and sovereignty of all states, aware of the fact that the United States will continue waging war, D'Escoto said.

He pointed out that the war has caused serious problems for the national economy and that international experts have estimated the damage to be in excess of $12 billion, in addition to the fact that the country was sacked and destroyed by the Somozist regime, he said.

He said he hoped a new U.S. administration (M. Dukakis) would respect international law, commitments, and the self-determination and independence of peoples.

Concerning peace, Foreign Minister D'Escoto said that his country is doing everything possible, and he feels that it is the duty of all Nicaraguans to defend this right, because to defend this right is to defend peace, "and we

cannot yield." In his opinion, the people of Nicaragua understand the situation and support the revolution because the people feel it is their revolution.

On Salinas' Foreign Policy

PA0808235788 Managua Radio Sandino in Spanish 1200 GMT 8 Aug 88

[Text] Yesterday, during a private visit to Mexico, Foreign Minister Miguel D'Escoto said that he believed that Mexican foreign policy under Carlos Salinas de Gortari will continue to defend the principle of self-determination and seek peaceful solutions to controversies.

This type of foreign policy will continue to be in effect, despite the lethargy of the Esquipulas II peace negotiations and the influence exerted by the Group of Eight, of which Mexico is a member. According to the head of Nicaraguan diplomacy, the prospect of a Carlos Salinas de Gortari administration raises no concern over the future of Mexican relations with Nicaragua and Latin America in general.

D'Escoto met with Mexican Foreign Secretary Bernardo Sepulveda and expressed the view that the future of Central America and the rest of the continent will not be promising as long as the incumbent U.S. Administration continues to violate established international protocol. The mere fact that discussions have continued in the U.S. Congress on financial support for the war the United States is waging against the Nicaraguan people represents a clear human rights violation and demonstrates to the world that the Reagan administration pursues a foreign policy of state piracy and intervention, D'Escoto said yesterday upon his return to Managua.

Borge Comments on U.S. Strategy in Panama

PA0508224988 Mexico City EXCELSIOR in Spanish 29 Jul 88 pp 1-A, 28-A

[Report on interview with Interior Minister Tomas Borge by Luis Suarez in Havana on 28 July]

[Text] Havana, 28 Jul—The United States "will not be successful in removing Noriega from his position in Panama on 12 August." With some differences, the action against that country forms part of the same strategy that Washington is carrying out against Nicaragua, although it is true that in Panama's case, there are no unanimous opinions.

This was stated in an interview with Commander Tomas Borge, a member of the FSLN Directorate and Nicaraguan interior minister, who is visiting Cuba as one of the main guests at the commemoration of the 35th anniversary of the assault on the Moncada barracks.

Borge, who humorously says that since his birthday is on 13 August, "he might go spend the 12th with Noriega," stated that in all Latin American armies there are more or less strong nationalist tendencies and that the fact that campaigns are carried out from the United States to try to portray nationalist military chiefs and other leaders—including himself—as drug traffickers is because those campaigns seek to stir up hatred against those leaders among U.S. young people who are victims of drug abuse.

Referring to the situation in his country, the Sandinist leader said that the contras have been strategically defeated and internally divided and that the decision to expel [U.S.] Ambassador Richard Melton was made because a plan referred to by Borge as the "Melton plan" was discovered. The plan is an updated version of the Santa Fe document, which was drafted by U.S. conservatives in 1980 as a plan for a new inter-American policy for the 1980's and which is being implemented by President Reagan.

The Nicaraguan minister provided a list of Ambassador Melton's activities in meetings with forces opposed to Sandinism. He said that Melton presented his credentials on 12 April 1988 and held his first meeting with Independent Liberal Party leader Virgilio Godoy on 27 April and subsequently with other leaders, exerting pressure in favor of opposition unity with which to confront the government. Borge was accompanied by Nicaraguan Education Minister Fernando Cardenal and Colonel Francisco Rivera and Commander David Blanco of the EPS.

Asked if he thinks that U.S. actions in Panama could be compared, allowing for some differences, to U.S. policy toward Nicaragua, Borge replied:

"I think there is a close relationship between the U.S. policy toward Panama and the one toward Nicaragua, because these two countries are linked by similar ties. However, there are differences about which I will not go into in depth so as to not run the risk of talking of complexities, but I do want to point out that it is admirable how the United States has been unable to get its way in Panama."

And he added:

"Although it is true that the efforts that have been carried out against Nicaragua are substantially greater, it is encouraging to know that despite having forces inside Panama, despite installing a military presence in Panama, and with all the possibilities of mobilizing its Armed Forces in an instant, the United States has not decided to do so."

Asked if in Panama there had not been a revolution as there had been in Nicaragua, which would make the two countries similar targets of U.S. Latin American policies, Borge replied:

"I think that U.S. aggression against Panama is not unrelated to U.S. strategy against Nicaragua. I mean, in the final analysis, Panama is a chess piece with which to checkmate the Nicaraguan revolution. However, the United States has not even been able to move the chess

piece to where they want it to be. It is true that there has not been a revolution in Nicaragua [as published]. Perhaps this may explain why—here are the nuances I was referring to—visceral hatred for Panama does not have the same intensity as U.S. hatred for Nicaragua. There may even be U.S. sectors who do not want things to change in Panama. There is no unanimity of opinion. I am providing some explanations as to why the United States has not used all its resources against Panama."

Borge adds that he believes that the crucial element in Panama is "the willingness of the former National Guard, now the Panama Defense Forces [FDP], and the Panamanian people to defend their sovereignty."

There are now officers such as Noriega who challenge U.S. political and military power, Tomas Borge notes.

"I think that besides Cuba and Nicaragua, whose armies undoubtedly not only side with the nation's interests but with the people's interests, there is Panama, where the FDP clearly sides with the nation's interests. The FDP, the former National Guard, is the direct offspring of Torrijos' philosophy. Torrijos' influence was much stronger than I had imagined. Torrijo's ideas opened a whole new vista of awareness in the Panamanian military. Living on in the hearts of his citizens—a frequent occurrence when a unique person dies—has never had more meaning than in Torrijos' case with the awareness he inspired in the former National Guard. I seems to me that Torrijos' influence is historic. What is happening today can be explained largely based on that."

Expanding this idea to other parts of our continent, Borge said:

"There is a nationalist trend in all Latin American armies; even in those armies that are more reactionary and subservient to the United States. There are armies where this trend is strong. I am not going to mention any by name. In fact, it seems to me—perhaps this may be saying too much—that the impression one gets is that there are strong nationalist trends in the Mexican Army. That is the result of a major revolutionary change. I think Lazaro Cardenas was not just a historical accident. I would not dare speak of other countries. However, I believe that in the Southern Cone, nationalist feelings are not strong enough within their armies. The correlation of forces does not provide the proper conditions."

The reporter mentioned 12 August to Borge, the date on which General Noriega first took over the command of the FDP, and the date on which, according to the United States, the controversial military man must retire. He asked Borge whether he thought this was possible, taking the development of the Panamanian crisis into account, or whether he felt this presumption was absurd. Borge, who emphasized his close friendship with Torrijos throughout the interview, responded categorically:

"I think the United States will not be in any condition to carry out its threat. My birthday is on 13 August, and I may even go spend my birthday with Noriega in Panama. I am positive such a prediction is false."

It was then brought up that Fidel Castro, Borge's senior by 4 years, has the same birthday. When asked whether the Cuban leader would also visit Noriega, Borge simply commented:

"Well, you'll have to ask him...."

Regarding campaigns in which military and revolutionary leaders such as Noriega, Borge himself, and even Fidel Castro are depicted as using drug trafficking to finance their actions in the hemisphere, Borge was asked why he believed this was a primary criterion for taking actions to destabilize some governments. He responded:

"Because drug trafficking is something considered repulsive and deserving of strong condemnation in the United States, which is consumed by drug trafficking. I try to imagine how that must feel in the United States, because we do not have that problem. Drugs are not used in Nicaragua. Bear in mind, however, that in the United States, millions of young people use cocaine. I try to imagine, I repeat, the feeling U.S. citizens must have toward drug trafficking when they lose their children to drug abuse. To say in the United States that Fidel or other leaders are involved in drug trafficking is to discredit them terribly. If any U.S. citizens actually believe we are drug traffickers, they must hate us, because that would make us responsible for their children's addiction and degradation."

When Borge was asked whether the rumor of drug trafficking applies to him, he replied:

"The U.S. Drug Enforcement Administration has said that the accusation against us was false. I do not know what they have said about Noriega."

The Sandinist leader seemed fully aware that the diplomatic incident involving Richard Melton and its well-known consequences have led to a further deterioration of Nicaragua's relations with the United States. However, he expressed the Nicaraguan Government's willingness to renew dialogue with the United States in Manzanillo, Mexico, or wherever necessary, because his government has not considered breaking relations with the U.S. Government, even though the United States supports the highly divided contras.

Borge also announced the reopening of the newspaper LA PRENSA, which had even gone so far as to accuse him of drug trafficking. He believes that the newspaper "deserved" the 15-day suspension for being a "mouthpiece of the U.S. Government."

Labor Official on Reorganization Dismissals

PA0508130388 Managua Radio Sandino in Spanish 1930 GMT 4 Aug 88

[Excerpts] A total of 9,352 workers have been affected by the reorganization process throughout the country from 1 March to 29 July 1988; 4,815 of them have relocated in different companies and institutions in the country, according to Transito Gomez, director general of employment and wages of the Labor Ministry. He also explained the different problems encountered by the Labor Ministry in processing the payment of the wage subsidies to the workers affected by the reorganization. He announced the last wage subsidy, 75 percent, will be paid on 12 August.

[Begin recording] [Gomez] Several factors caused the delay. The companies did not get their reports to the Labor Ministry promptly, then we had to make a national selection process of lists of those laid off, because we could not send partial lists to the Finance Ministry. [passage omitted] For technical reasons, the Finance Ministry's computer center cannot process only 2 or 3 checks; it has to process lists of 100 or more. [passage omitted]

However, all problems have been overcome, and we are now paying. We have already paid all of March through May, except for some April payments in Region 3. In the rest of the country, we have paid practically all that was pending. Only Region 3, where the greatest number of workers was laid off, is still pending.

[Reporter] When do you plan to complete paying the 75 percent to the workers who have not yet been paid?

[Gomez] We will be paying that next week, approximately 12 August. We are now completing the lists to send to the Finance Ministry. The Finance Ministry needs 1 week for processing, so we are talking about 12 August. [passage omitted]

[Reporter] We know some companies are still reorganizing. How many workers have been affected so far by the reorganization and how many have been relocated?

[Gomez] Nationwide, 9,352 workers have been affected, of whom we still have to relocate 4,537. However, we have 7,625 jobs open nationwide. Most of the open jobs are for agricultural workers and qualified workers—drivers, welders, mechanics, electricians, and others. However, in Region 3 we only have room for qualified workers. Unqualified workers will have to take up agricultural work, especially in Region 6, on farms where the workers are guaranteed housing, subsidies, and incentives.

[Reporter] When will the reorganization process end?

[Gomez] The process established by the government ended 30 May. It took 3 months to compute the payment of subsidies the government agreed to pay. Therefore, only those workers dismissed by the reorganization to the end of May have a right to a subsidy. [passage omitted]

[Reporter] Many companies have reportedly fired pregnant women and some labor leaders.

[Gomez] In the case of pregnant women, the labor code is very clear; the Labor Ministry has ordered them to be rehired. Women cannot be fired for any reason while pregnant. The labor code is very clear on this. In the case of labor leaders, the labor code does not exempt the worker of responsibility for not violating the labor code. If a labor leader violates the labor code, he automatically loses protection and is subject to the provisions of the labor code. [passage omitted] [end recording]

Panama

Daniel Ortega Arrives; Met by Solis, Noriega

PA0808204488 Panama City ACAN in Spanish 1954 GMT 8 Aug 88

[Excerpt] Panama City, 8 Aug (ACAN-EFE)—This afternoon Nicaraguan President Daniel Ortega arrived in Panama to participate in the preparatory meeting for the Second Amphictyonic Congress, which will be held on 9-11 August.

Ortega and his delegation were welcomed at the Panamanian Air Force airport by Manuel Solis Palma, minister in charge of the Presidency, and General Manuel Antonio Noriega, commander of the Defense Forces.

The Nicaraguan president, who arrived aboard a charter flight of the Cubana de Aviacion airline at 1430 (1930 GMT), was accompanied by, among others, Foreign Minister Miguel D'Escoto and Vice Foreign Minister Jose Leon Talavera.

In brief remarks to the press, Ortega said he has come to Panama to strengthen the ties of friendship between the two countries, which are being attacked by the United States.

Ortega will stay in Panama for 48 hours and then will travel to Quito on 10 August to attend official events following the inauguration of Ecuadoran President-Elect Rodrigo Borja. [passage omitted]

Ortega, Noriega Statements

PA0808215988 Panama City Domestic Service in Spanish 2106 GMT 8 Aug 88

[Report by Rigoberto Dumas Castillero on statements by Nicaraguan President Daniel Ortega and General Manuel Antonio Noriega, commander in chief of the Panama Defense Forces, at the Panamanian Air Force Airport on 8 August—passages within quotation marks recorded]

[Text] A few minutes ago Nicaraguan President Daniel Ortega arrived in our country. He was greeted by Panamanian President Manuel Solis Palma, who was accompanied by cabinet members and General Manuel Anto-

nio Noriega, commander in chief of the Panama Defense Forces, and members of the general staff. The Cubana de Aviacion plane that brought President Ortega arrived in Panama at approximately 1415. Ortega is accompanied by members of his general staff and government. President Ortega will make a brief stopover in Panama on his way to Ecuador, where he will attend Rodrigo Borja's 10 August inaugural ceremony.

Several reporters were able to interview President Ortega upon his arrival in the country. We asked him to explain the reason for his visit to Panama, and he replied that it was to strengthen the friendly relations between our peoples. President Ortega said:

[Ortega] "The Nicaraguan people recognize the Panamanian people who, like the Nicaraguan people, are being attacked by imperialist policy—the imperialist policy General Omar Torrijos fought against. We are here to reaffirm the good and friendly relations between the governments and peoples of Nicaragua and Panama."

Regarding U.S. Secretary of State George Shultz' visit to Central America, President Ortega said:

[Ortega] "Secretary of State Shultz' tour was aimed at weakening Latin American unity. This unity is essential to defending our mutual interests."

As I said a few minutes ago, President Ortega is on a stopover in Panama on his way to Ecuador. When asked who would benefit from the resumption of relations between Nicaragua and Ecuador, President Ortega said:

[Ortega] "This visit will close the gap that the United States created between Ecuador and Nicaragua. The United States used that man, Leon Febres-Cordero, Leon Fever [Fiebre], Leon Fever [repeats himself] to try and break Latin American unity."

Meanwhile, when asked about President Daniel Ortega's visit to Panama, Gen Manuel Antonio Noriega said:

[Noriega] "Even though President Ortega is only on a stopover, his visit is considered an official one, representing the points of agreement between peoples being attacked.

[Reporter] "Specifically, what points of agreement?

[Noriega] "Well, the empire. The empire against the weak."

Ritter on National Identity, U.S. 'Aggression'

PA0708232888 Panama City LA REPUBLICA DOMINICAL in Spanish 7 Aug 88 pp 14-A, 10-A

[Speech by Foreign Minister Jorge Ritter at the opening session of the sixth National Sociology Congress at the University of Panama in Panama City on 4 August]

[Excerpts] [Passage omitted] This meeting could well be the place to make a profound study of the essence of Panamanian society and to discuss the need to search for our true national identity. We may ultimately find ourselves and discover that today's controversial situation is actually a reflection of profound differences with regard to shaping our nation.

In this sense, the cruel U.S. aggression has forced us to decide once and for all whether Panama will take the path of no return toward its liberation and, therefore, toward perfecting itself as a nation, or whether it will continue to live within a make-believe legal system of political-administrative organizations and the men who run them, but covered by the umbrella of a disguised and ever growing dependency. [passage omitted]

That is the tragedy Panamanians suffer today. The achievements Panamanians have made since 1821 are always followed by more or less extended periods of calm during which nationalist forces make new and significant progress. [passage omitted]

However, the calm following the latest significant achievements is now over. The Torrijos-Carter treaties were not designed to give us a respite but instead to provide us with a framework for our struggle, and, sooner than many people expected, we have had to face a merciless war aimed this time at not only preventing us from making new progress but at taking away the gains we believed we had consolidated.

Today's dilemma is whether to win this battle, consolidate our gains, and prepare ourselves for a 12-year war, or, on the other hand, give in to the aggression, forsake our achievements, and enjoy 137 months of artificial economic prosperity. We ultimately will have to decide whether Panama will come into its own as a nation or whether it will continue to be a dream of what could have been and never was.

Moreover, the outcome of this critical situation will determine the nature of our institutions, our culture, and our values. Democratic institutions take a different form when they are a means for liberation instead of being a means for further dependency. Finding the essence of our nationality is very different from prolonging our submission. The role of the Panama Defense Forces, which is to provide a means to satisfy social demands, is very different from being an obstacle to the people's aspirations. [passage omitted]

Many Panamanians do not understand why it is so easy for the United States to find staunch Panamanian support for a military intervention against their own country, since past aggressions have only resulted in sorrow and pain. Many Panamanians ask themselves why Panama is confronting the largest military power in the world, while, at the same time, there are those who prefer to submit to the will of that world power—even though they currently identify themselves with their own people—rather than commit themselves to the welfare and survival of the masses. It must be well understood that I am not saying that all those who are protesting on the streets or who disagree with the government have foreign sympathies. There are varied and legitimate reasons for people to protest, and basses, insults are not new in our domestic politics. However, the unusual proportions of today's conflict are not the result of an internal political confrontation but of an aggression from abroad. [passage omitted]

Without a doubt, for the time being Panamanians will continue to write two different histories with different languages, different characters, and opposing interests. There is no society in which people always agree with each other, but the threat against social integrity almost always binds the people together. I am sure that in the long run this will be true in our case as well, at least until we achieve our liberation and thus our identity as a nation. Meanwhile, we will be easy prey to the aggressions, abuses, and outrages of a world power that with indolence and boastfulness looks today at the damage caused to a country searching for itself. [passage omitted]

Envoy to Cuba on Country's Situation, U.S. Plan
FL0408122588 Havana Radio Rebelde Network in Spanish 2326 GMT 2 Aug 88

[Interview with Ambassador to Cuba Manuel Orestes Nieto de Icaza by host Daniel Torres and announcer Felix Fernando Garrido of the "Exclusivo" program at the ambassador's residence—live]

[Excerpt] [Passage omitted] [Garrido] Welcome, Mr Ambassador.

[Nieto] Good afternoon.

[Garrido] Several hours ago, Mr Ambassador, the foreign minister of your country, Jorge Eduardo Ritter, said that President Manuel Solis Palma will denounce at the September UN session the aggressions to which the Panamanian people and the entire country are being subjected. What do you think of the current situation in Panama and the response of the Panamanian people?

[Nieto] First of all, I would like to thank the crew of "Exclusivo" for being so kind as to come to my home this afternoon.

I could say many things in reference to your question on the current situation in our country. I will try to summarize the situation as much as possible. You know that the level of aggression against Panama has had a very specific goal. It is a matter of making a nation yield to a strategic purpose with which everyone is familiar.

We went through a national process of decolonization. We recovered the territory which was the old Canal Zone and attained our national independence. In the current conflict between the Panamanian nation and U.S. imperialism, a large-scale ambush was set to break Panama's national liberation process. This has political, economic, cultural, and military characteristics. As you know, we have been subjected to intense pressure. A sort of bell jar was created in our country to try to destroy it, to bring the country to its knees, and to execute a strategic plan which is familiar to all.

Our president will go to the United Nations in September. There we will give a general assessment of the type and degree of aggression against our people. It is now August 1988. Since 25 February 1988, Panama has been subjected to this constant pressure. Economically, our country is very battered. The flight of convertible currency has totaled $16.5 billion, which has affected the national internal credit portfolio by $9 billion. The construction sector is at a total standstill. Unemployment is growing. We can accurately determine the results of the freezing of funds and assess the direct damage to our economy.

There have been many more aggressions that are much more serious than can be seen from these simple statistics. All international rights as pertain to Panama have been arbitrarily violated. Among other things, the United States has maintained—through an absurd interpretation—the existence of a president who is nonexistent.

We have complied with all the constitutional requirements which today place in office Lic Manuel Solis Palma as minister responsible for the Presidency and which place General Manuel Antonio Noriega as commander in chief of the Panamanian Armed Forces. The attack is based on this structure, this process, especially against Gen Noriega. It would be a lengthy process to list every ambush against us.

What is certain is that our country has resisted, and I think that all of Latin America has witnessed the aggression as well as the level of maturity and crystallization of our nation in resisting an ambush of this size. We will resist. Our country has had a severe beating, but there is something very important that we have to explain here in historical terms which is something we cannot renounce. We were not meant to be a colony. Our destiny toward the year 2000 is our general independence, the total integration of our territory, and there is no return from this direction.

[Garrido] Mr Ambassador, since our program is characterized by dialogue, I would like our host, Daniel Torres—who I'm sure is listening to our conversation—to participate as he usually does.

[Torres] Yes, Garrido. Thank you for giving me this opportunity to speak. Comrade Ambassador, I wanted to make reference to the following: THE WASHINGTON POST, to which I had access last week, published a very important article in which it revealed U.S. covert activities approved by the U.S. President against Panama. It even included the kidnapping of the current leader of Panama's Torrijos movement, Gen Manuel Antonio Noriega. I would like to know if you have additional information on this event of U.S. audacity which reached the whole world. In a commentary which I did on this same program, I even termed this report by THE WASHINGTON POST as a gangster-like moment in the history of the current U.S. Administration. So, I would like to know if you had anything to add about this important event.

[Nieto] Yes. What I can tell you about that is that the world can be astonished that the President of the United States, and at this particular time and all along the crisis, still has the nerve to sign a document (?for) covert operations against Panama and more specifically against Gen Manuel Antonio Noriega. However, the problem is that we, the Panamanians, have known since 1985—if it's not already obvious with this brazen document—that the truth is that the plan to stop the process under the leadership of Gen Noriega has reached high levels as demonstrated by this document. When in 1985 Gen Noriega denied all possibilities of Panamanian participation against Nicaragua and Gen Noriega said no to Pointdexter, from that point on an attack was carried against the country. I think the plan that was just signed is an additional part of the same general program against Panama. Reagan is doing that in a desperate way, in a truly stupid way which does not favor his policy in any way. I do not think it is a suprise to us for a powerful country such as the United States, and in its imperialist role, to act with such nerve. The U.S. Administration's restlessness toward Panama causes us great pity.

[Garrido] Daniel, I wanted to know if the ambassador's reply answers your question.

[Torres] Yes, completely. [passage omitted]

Arias Calderon on Elections, Rights, Economy

PA0508171388 Caracas EL UNIVERSAL in Spanish 29 Jul 88 p 1-15

[Report by Alirio Bolivar on interview with Ricardo Arias Calderon, president of the Panamanian Christian Democratic Party (PDC), in Caracas—date not given]

[Text] The conditions for holding elections do not exist in Panama; if the process were to take place at this time, General Manuel Antonio Noriega would be given the opportunity to carry out a fraud similar to that of 1984. This opinion was expressed by Panamanian PDC President Ricardo Arias Calderon, who said his country is currently experiencing a grave crisis that could lead to a national catastrophe.

Arias Calderon is visiting Venezuela, where he will meet with various people to make a number of proposals concerning the Panamanian situation, especially concerning the democratization efforts being carried out by the political forces opposed to the Noriega government.

The Social Christian leader said Noriega promised to hold elections in 1989, but important democratization changes must be undertaken prior to them.

Arias Calderon said no regime has ever violated human rights as much as the Noriega government, which has imprisoned and exiled political and business leaders and committed other irregularities.

He added that along with the violation of human rights, there is a dreadful economic situation. It is estimated that Panama's gross domestic product will drop 27 percent and unemployment will reach more than 30 percent in 1988. There will be a 50-percent reduction in the banking system's liquid assets; the credit portfolio will be reduced 30-40 percent; and exports will decrease 25 percent.

The journalist comments: Despite this crisis situation, Noriega seems to have the support of most Panamanians.

[Arias Calderon] If this were true, there would be no reason for the military regime to prohibit peaceful demonstrations or to impose press censorship that keeps important newspapers and radio and television stations closed. The only support he has is the military, and even there he is being pressured. For example, in March there was a coup attempt in which more than 100,000 [figure as published] members were involved. That means the officers and troops are aware of the country's tragedy and have begun to have doubts about the course Noriega is setting.

Arias Calderon also said Noriega has strong links with the subversive M-19 and that this had allowed him to serve as intermediary in the kidnapping of Colombian politician Alvaro Gomez Hurtado. He also has links with the Salvadoran guerrillas and receives open and solid support from Fidel Castro.

[Bolivar] Do you mean Noriega could be influenced by Castro-communism to perpetuate himself in power?

[Arias Calderon] Noriega is capable of making alliances that would endanger not only Panama's security but the entire Central American and Caribbean region.

Arias Calderon also reported the establishment of the so-called "Dignity Brigades," which serve as repressive forces. They are paramilitary forces trained by the

regime under the pretext of defending sovereignty if there is an invasion, but in fact they are used to oppress the great majority of the people. [passage omitted]

Last night Ricardo Arias Calderon met with Social Christian presidential candidate Eduardo Fernandez; today he will meet with other Venezuelan political leaders interested in finding a solution to the Panamanian crisis.

Local, Costa Rican Labor Groups Denounce U.S.
PA0708201788 Panama City LA REPUBLICA DOMINICAL in Spanish 7 Aug 88 pp 1-A, 10-A

[Article by Ruben Dario Diaz C.]

[Text] The Costa Rican Permanent Workers' Council [Consejo Permanente de los Trabajadores de Costa Rica] and the Panamanian People's Unity Front held a solidarity meeting at the common border and issued a joint declaration in which they condemned and rejected the U.S. policy of aggression, blockade, and harassment against the Panamanian people. They also condemned the use of Costa Rican territory by U.S. troops or hired mercenaries to attack sister nations.

In their joint declaration, the two popular organizations urged the Costa Rican president and his government to reject U.S. Government pressures and meddling in the domestic affairs of the two countries, to demand a halt to imperialist attacks, and to insist that the regional conflict be resolved through dialogue without the tutelage of the U.S. Government.

The two labor organizations said that in facing the destabilization plan against Panama, popular sectors and progressive forces, including the Defense Forces, have not accepted orders from the White House or from Ronald Reagan's government. The document adds that in an attempt to dominate and subjugate the Panamanian people, the Reagan administraton is bent on stepping up its aggression and inhumane pressures against people who are struggling for their national liberation.

The declaration said that those aggressions and pressures have caused enormous damage to Panama's economic system and its labor force, greatly affecting various sectors of Panamanian society. It noted that those aggressions and pressures have included a huge disinformation campaign at the national and international levels through the media and pro-Yankee foreign news agencies, the arrival of additional troops in open violation of the Torrijos-Carter treaties, the economic blockade, the illegal withholding of millions of dollars owed to the Panamanian nation for the use of the canal area, as well as the illegal withholding of funds belonging to the Panamanian state.

The organizations said that beginning with this meeting of active solidarity with all the peoples in the region and the world, "we are determined to continue a militant and revolutionary struggle for our total liberation, and we will defend our nations with our lives if necessary."

Defense Forces Paper To Publish 5-Year Program
PA0508163688 Panama City MATUTINO in Spanish 5 Aug 88 p 5

[From "The Confidential Report" column by Antonio Collins Jr]

[Text] DEFENSA, the Panama Defense Forces [FDP] newspaper containing extraordinary material, will be published in the beginning of next week. In this issue, it will include the 5-year program completed by the commander in chief of the FDP. There is no doubt that the contents, presentation, and especially the professionalism of the latest issues of DEFENSA have improved. Congratulations!

Briefs

Free Zone Trade Decreases

Trade in the Panama Free Zone decreased $12 million in July 1988 compared to the previous month, according to Pablo Thalassinos, free zone general manager. He added that imports were $4 million less than in the previous month and that reexports were $7 million less for the same period. Thalassinos said that trade for the January-July period decreased approximately $280 million compared to the same period in 1987, but that 1987 was the Free Zone's best year ever. Finally, he said that based on an average trade figure for the 1980's, trade for the January-July 1988 period is $70 million above average. [Summary] [*PA0508121088 Panama City Circuito RPC Television in Spanish 2300 GMT 4 Aug 88*]

New Ambassador to Italy

Bruno Garisto has been sworn in as new Panamanian ambassador to Italy. The oath was taken at the office of Foreign Affairs Minister Jorge Ritter. [Summary] [*PA0908020088 Panama City MATUTINO in Spanish 8 Aug 88 p 4*]

Argentina

Alfonsin Receives Swiss Economic Official

PY0508170088 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1330 GMT 5 Aug 88

[Text] Buenos Aires, 5 Aug (NA)—Yesterday Jean-Pascal Delamuraz, chief of the Public Economy Department of Switzerland, expresed his country's interest in strengthening relations with Argentina during meetings with President Raul Alfonsin, Foreign Minister Dante Caputo, and Economy Minister Juan Sourrouille.

Delamuraz who is also vice president of the Federal Council and a firm candidate for the Presidency of the Swiss Confereration, made a brief visit to the country. He expressed support for the Argentine democratic process and conveyed to President Alfonsin his governments decision to reduce by one-quarter of 1 point the interest rates on the loans granted by his country.

Delamuraz' visit was not noticed because of the large coverage given to the new economic program and the visit of other important foreign personalities such as U.S. Secretary of State George Shultz and FRG Economic Minister Martin Bangemann.

The other important personalities visiting this capital are Willy de Clercq, EEC commissioner, and former French Prime Minister Pierre Mauroy.

In a statement published in LA NACION today, Delamuraz said that "despite its small size, Switzerland is fifth or sixth among foreign investors in Argentina."

He said that in the few hours he stayed here he was able to meet with the aforementioned personalities, and he said that "this is good evidence of the interest in the Argentine opening toward the world." Regarding the issues discussed with President Alfonsin and his ministers, Delamuraz emphasized his country's concern over the international talks on brands and patents, which are "an irritating problem."

Regarding the foreign debt, Delamurz said that "the Argentine Government is making a clear and courageous effort," and that although the Argentine problem is serious, "like the U.S. debt, which is also serious," possible solutions are being studied.

EEC Commissioner on Relations, Cooperation

PY0808230088 Buenos Aires CLARIN in Spanish 8 Aug 88 p 19

[By Pablo Kandel]

[Excerpt] Willy de Clercq, commissioner for external affairs and trade of the European Commission (the EEC executive branch), who was in Buenos Aires last week, told CLARIN that "the EEC is very much interested in political and economic cooperation with Argentina, and with other Latin American countries."

The purpose of De Clercq's visit was to lecture in a seminar on international economic relations. The seminar was organized by the Friedrich Naumann Foundation (Liberal Democratic Party—FRG) and the Jorge Esteban Roulet Foundation (Radical Civic Union). Another purpose of the visit was to meet with President Raul Alfonsin, Foreign Minister Dante Caputo, Economy Minister Juan Sourrouille, and other ministers.

De Clercq emphasized the virtues of regional cooperation, using the EEC as "an example of what can be accomplished in that framework."

De Clercq was asked about the EEC position regarding the special relationship treaty recently signed by Argentina with Spain and Italy. The treaty was rejected by FRG Economics Minister Martin Bangemann because "it undermined EEC solidarity."

The EEC official gave his personal opinion saying: "This problem emerged from an unfortunate situation prevailing between Argentina and an EEC member," (refering to Great Britain). He added: "As a result of that situation, the EEC cannot officially have a treaty with Argentina, and that is probably why some individual EEC members are interested in signing treaties on their own, while other members do not agree. However, I think we should distinguish between a treaty and cooperation."

De Clercq also discussed the changes introduced in the Common Agricultural Policy (CAP) as one of the elements which can contribute to improve relations between the EEC and Argentina (which has harshly criticized EEC agricultural subsidies).

He said: "The adjustments being made in CAP, beginning 3 years ago, will have a very positive impact on agricultural markets." He added: "What we are doing in the EEC is to try to create a better balance between production and consumption. This clearly means that we are restricting the production in important agricultural sectors such as dairy, cereals, meat, oil seeds, and others. It is clear that by limiting production we are also going to reduce export possibilities, and this will firmly contribute to the balance of markets which will be beneficial to countries like Argentina which needs to export their agricultural production."

He added that "this benefit will not only extend to a larger sale of Argentine agricultural products to Europe, the importance of which we should not underestimate, but it will especially strengthen the Argentine position in the third markets which are currently subject to EEC competition." [passage omitted]

Defense Official on Sale of Weapons to U.S.

PY0808145688 Buenos Aires CLARIN in Spanish 7 Aug 88 p 2

[Excerpt] Yesterday Jose Maria Llados, secretary for defense production, stated that Argentina exported war materiel amounting to $20 million during 1987 to neighboring countries.

The official said that artillery munitions were included in the exports, but he did not mention the names of the countries to which it was sold.

Llados spoke to the press yesterday at the launching ceremony of a container vessel.

He added that Argentina is interested in selling war materiel to the United States, including the Pampa training plane.

Llados stated that Defense Minister Horacio Jaunarena will travel to the United States "during the last week of September" to meet with his colleague, Frank Carlucci.

He added that during a meeting with U.S. Secretary of State George Shultz, who visited the country this week, Jaunarena expressed Argentina's interest in selling war materiel to Washington.

The Argentine Government also wants to purchase weapons from the United States. [passage omitted]

Government Implements Power Restrictions

PY0608031688 Buenos Aires TELAM in Spanish 1733 GMT 4 Aug 88

[Text] Buenos Aires, 4 Aug (TELAM)—The energy and domestic trade secretariats have issued resolutions which decree tha window displays, shop facades, window decorations, billboards, any light fixtures, or electric or electronic fixtures used in sales shops cannot be turned on during the day or night.

However, this restriction does not apply to those consumers who have their own generators, to security equipment, public services, and night duty services.

Consumers from the provinces of Misiones and Santa Cruz and from the territories of Tierra del Fuego, the Antarctic, and South Atlantic Islands are exempted from this prohibition. Also exempted from this prohibition are those electric generating and distribution systems that are not connected to the national interconnected electricity system.

It will be up to the national power board to implement this restriction in its capacity as a technical body.

The energy and domestic trade secretariats have jointly adopted this measure, through resolution nos 451 and 311 respectively, in view of the emergency situation that is affecting the electricity system because of the low water level at the main hydroelectric dams and in the rivers that feed them.

Moreover, thermal power generators are not in proper operational condition to meet succesfully the demand for electricity.

Electricity restrictions will be implemented in the following manner: Houses with even numbers will have to comply with the measure on even days of the month, and houses with odd number will comply with the measure on odd days of the month. Houses whose location cannot be established will comply with the measure on even days of the month.

Bahia Blanca Implementation

PY0608035888 Buenos Aires TELAM in Spanish 1457 GMT 5 Aug 88

[Text] Bahia Blanca, 5 Aug (TELAM)—The southern zone headquarters of the Buenos Aires Energy Directorate (DEBA) has reported that as of 1200 today it will begin to implement gradual power cuts in Bahia Blanca and the surrounding area. These power cuts, which will last between 90 minutes and 2 hours, are being implemented in view of the emergency situation presently affecting the national energy interconnected system.

A document issued by DEBA states that in view of the emergency situation affecting the national energy interconnected system, which has already been explained by the energy secretariat, it has been instructed to save energy. It adds that it must implement power cuts if it is to comply with these instructions.

DEBA adds that in Bahia Blanca it will implement the same emergency plan used in April, and that in keeping with it, power cuts will be implemented based on a fixed schedule and in specific sectors.

The statement does not mention how long these power cuts will continue, but it is believed they will be in effect until the water level in the energy plants' reservoirs increases.

Nuclear Policy Committee With Brazil Meets

PY0508021688 Buenos Aires TELAM in Spanish 1953 GMT 04 Jul 88

[Text] Cordoba, 4 Aug (TELAM)—Official sources have reported that the "Argentine-Brazilian Permanent Committee on Nuclear Policy" held its opening meeting here today. During the meeting, the committee discussed important common issues on nuclear policy and agreed to integrate the capacity of the two countries and promote the building of "fast breeder reactors."

In view of technological advances in the exploitation of energy resources, both delegations agreed that nuclear energy is a reliable possibility and stressed the conclusions on environmental impact that have been reached in recent meetings. The committee confirmed that generating electricity at nuclear plants with appropriate safety measures causes little environmental pollution.

The meeting was chaired by Susana Ruiz Cerutti, international relations secretary of the Foreign Ministry, and by Sebastian do Rego Barros Netto, Brazilian Foreign Ministry undersecretary for economic and trade affairs. It was also attended by other officials of the Argentine and Brazilian Foreign Ministries and by members of the atomic energy committees from both countries.

A decision has been made to establish a reciprocal environmental monitoring system, independent of control measures that are already enforced in the respective countries. The system will ensure that nuclear plant emissions do not harm the environment in either country.

Businessmen from the nuclear sector submitted to the "committee" a request to eliminate customs duties on several materials produced in both countries and necessary for the construction of the Angra II and Atucha II nuclear plants in Brazil and Argentina, respectively. This request was accepted by the binational committee because the elimination of customs duties will help strengthen bilateral nuclear trade.

Appeals Court Frees 'Ultra-Rightist' Leader

PY0808012888 Buenos Aires BUENOS AIRES HERALD in English 6 Aug 88 p 11

[Text] (NA-DYN)—Yesterday the Federal Appeals Court granted parole to Alerta Nacional ultra-rightist leader Alejandro Biondini, who is accused of insulting the President and encouraging collective violence. Judge Amelia Berraz de Vidal ordered Biondini's preventive arrest and rejected a bail request presented by his lawyers, but they appealed to the Federal Court which finally decided to grant him parole. Biondini, who left police headquarters yesterday morning, will nonetheless continue to be tried for the events of April 7, when he accused President Raul Alfonsin and Interior Minister Enrique Nosiglia of being responsible for the murder of Alerta Nacional activist Luis Alberto Vera and threatened the Radical National Coordinating Board (JCN) with "killing five of theirs for every one of ours that falls."

Bolivia

Bomb Explodes Near Shultz Motorcade in La Paz

'Dynamite' Hurled

PY0808151688 Madrid EFE in Spanish 1504 GMT 8 Aug 88

[Text] La Paz, 8 Aug (EFE)—This morning a small dynamite stick [cachorro de dinamita] was hurled at the delegation of U.S. Secretary of State George Shultz as he was traveling from the airport to his residence in downtown La Paz.

The explosion did not cause damage, but it has put the Bolivian and U.S. police and security services on alert. The investigations to find the perpetrator of the attack have been unfruitful so far.

A few minutes after the incident Bolivian Interior Minister Juan Carlos Duran played down the throwing of the dynamite. He said that it cannot be considered an attack, "but simply a way of calling attention."

The so-called small dynamite stick is widely used by unemployed miners during their demonstrations on the streets of the capital in times of social tension.

George Shultz arrived this morning in La Paz where he will meet with Bolivian President Victor Paz Estenssoro and government officials. Shultz's visit to Bolivia is part of a tour through Latin America.

Strict security measures have been implemented for Shultz's visit. Interior Minister Juan Carlos Duran has said: "We completely reject the possibility of an attack."

Further Details

PY0808153388 La Paz La Red Panamericana in Spanish 1502 GMT 8 Aug 88

[Excerpt] The motorcade of U.S. Secretary of State George Shultz was attacked in the neighborhood of the installations of (La Papelera), in the Pura Pura area. A device exploded just as the first vehicle of the caravan was passing.

According to national authorities, it was a stick of dynamite and the explosion caused some damage, especially to car windows.

The incident must have undoubtedly had some impact on Mr Shultz' security unit, and they made a detour. Instead of coming along (La Monte), Marshal Santacruz Avenue, El Prado, and then Arce Avenue, to arrive at the Sheraton Hotel, they immediately changed the route and took Secretary of State Shultz along Potosi Street, then through Murillo Plaza, to take (Colon) Street, to arrive at the U.S. Embassy. Mr Shultz was asked to go inside the embassy in order to assess the damage and do the appropriate check before going on to the hotel.

We can also report that some reporters gave conflicting reports on the incident. One of them said something more or less along these lines: There was an attack against Shultz' vehicle and the U.S. secretary of state sought refuge in the American Embassy, where he is currently staying.

This is evidently going to extremes. But, see how information can be amplified.

We are receiving international calls asking about the incident and our callers believe that something tremendous has happened.

Who would believe that a stick of dynamite would provoke such an uproar. A bigger explosion has been caused by the incident than by the stick of dynamite.

But, that is how things go. We have talked to the United States, we were called from Los Angeles, also from Boston, concerned over the the news of the incident. [passage omitted]

Interior Minister Comments

PY0101171380 Santa Cruz Radio El Mundo Network in Spanish 1551 GMT 8 Aug 88

[Report from Laz Paz by Jose Manuel Loza]

[Excerpt] Good afternoon friends. Regarding the attack against the entourage of George Shultz on the El Alto-La Paz thruway, police authorities have reported that only three cars were damaged and there were no casualties.

Interior Minister Juan Carlos Duran has stated that the incident involved one stick of dynamite and that it was detonated in order to obtain attention.

Moreover, he condemned this type of attack which harms the country's image.

Duran said that any type of protest should be carried out through legal means, and in no way should this type of protest be carried out.

In a call to a local radio station this morning, a so-called Simon Bolivar Guerrilla Commando claimed responsibility for two attacks. According to this commando, the first attack occurred at 0700 at the U.S. Embassy and the second attack was against George Shultz' entourage.

The interior minister has reported that a thorough investigation is being carried out in order to capture the perpetrators of this attack.

At Plaze Murillo this morning, Government House and the Foreign Ministry were cordoned off and no one was allowed in. Heavily armed police and members of Shultz' security unit practically cordoned off the plaze and the U.S. Embassy. Police appeared to be very nervous, especially after the attack on the El Alto-La Paz thruway.

At 1030 the U.S. secretary of state met with Foreign Minister Guillermo Bedregal and at 1130 he met with President Paz Estenssoro at Government House. [passage omitted]

Group Claims Credit

PY0808010988 Madrid EFE in Spanish 0042 GMT 9 Aug 88

[Excerpt] La Paz, 8 Aug (EFE)—Today the Simon Bolivar and the "Pablo Zarate Wilca National Indigenous Force" [Fuerza Nacional Indigenista Pablo Zarate Wilca] groups claimed responsibility, by telephone calls to the media, for the attack this morning against U.S. Secretary of State George Shultz. No casualties were caused in the attack.

In a telephone call to the EFE office in La Paz, an alleged member of the Pablo Zarate Wilca National Indigenous Force claimed responsibility for the attack, and cited the slogan "Fatherland Or Death." [passage omitted]

Shultz Meets With President Paz Estenssoro

PY0808154488 La Paz La Red Panamericana in Spanish 1530 GMT 8 Aug 88

[Text] U.S. Secretary of State George Shultz arrived at government palace just a few minutes ago. He was accompanied by several government officials, including the Bolivian foreign minister, the Foreign Ministry under secretary, and others. Shultz arrived together with members of his retinue. At this moment he is holding a meeting with President Victor Paz Estenssoro to discuss matters related to the two countries, such as the defense of the democratic system, the struggle against drug trafficking, and topics related to the economy.

Paz Apologizes for Attack

PY0808215388 Madrid EFE in Spanish 2132 GMT 8 Aug 88

[Text] La Paz, 8 Aug (EFE)—In the name of his government and of the Bolivian people, today President Victor Paz Estenssoro apologized to U.S. Secretary of State George Shultz for the frustrated attack on his entourage, which took place a few minutes after Shultz' arrival in La Paz.

Foreign Minister Guillermo Bedregal said the apologies were conveyed during a meeting President Paz and his ministers held with Shultz and his entourage.

President Paz explained to Shultz that the incident "does not express the feelings of the Bolivian people nor does it comply with the Bolivian pluralist foreign policy."

The attack took place at 0900 local (1300 GMT), when a dynamite explosion broke the windows of the cars of Shultz' motorcade. The motorcade was driving along the 15-km highway that connects the airport to La Paz.

Today Interior Minister Juan Carlos Duran Saucedo reiterated at the end of a meeting with the U.S. delegation that "a dynamite stick was thrown far from the U.S. secretary of state. Thus, this cannot really be termed an attack. This is the official report."

While Bolivian officials have minimized the incident, Bolivian and U. S. Embassy security personnel could not conceal their anxiety during official ceremonies attended by Shultz.

The U.S. delegation, which consists of approximately 50 people, changed their scheduled route to get to the downtown area to avoid another attack.

Political parties and union organizations have declared Shultz "persona non grata" and have protested his visit.

In the Foreign Ministry, where Shultz stayed for a few minutes, U.S. security agents with the help of trained U.S. Embassy dogs, checked cameras, television equipment, and recorders used by reporters.

U.S. Embassy officials said that another explosive device was deactivated in the Foreign Ministry. However, this information was not confirmed by Bolivian officials.

Vehicular and pedestrian traffic was cut off with a large police deployment two blocks around Plaza Murillo where the Foreign Ministry, government palace, and the Congress are located.

Not even the Army band, which was prepared to play the U.S. national anthem during the Paz-Shultz meeting, was allowed to enter the plaza.

Departs For Santa Cruz

PY0908004188 La Paz La Red Panamericana in Spanish 0000 GMT 9 Aug 88

[Text] Secretary of State George Shultz left La Paz for Santa Cruz. From there he will go to Quito, Ecuador, to attend the presidential inauguration of the new Ecuadoran president on 10 August.

Meets With Banzer

PY0908021088 Madrid EFE in Spanish 0201 GMT 9 Aug 88

[Excerpt] Santa Cruz de la Sierra 8 Aug (EFE)—Today at 2135 (0135 GMT) Secretary of State George Shultz concluded a tense 12-hour official visit to Bolivia after meeting with former Bolivian President Hugo Banzer Suarez at this city's airport. [passage omitted]

Vice President Proposes Constitutional Reform

PY0708032288 Buenos Aires TELAM in Spanish 0021 GMT 7 Aug 88

[Text] La Paz, 6 Aug (TELAM-EFE)—During the opening of the 1988-89 congressional session today, marking the 163d anniversary of Bolivia's independence, Vice President Julio Garret Ayllon proposed that the Constitution be reformed.

He said: "During this congressional session, we should introduce important and far reaching changes in the nation's Constitution," and he called on all congressmen "to assume their responsibility in consolidating the country's political stability."

As the main reforms that are required, Garrett mentioned administrative decentralization and the institution of runoffs in presidential elections.

Under the present Constitution, Bolivia is a "unitary Republic" and its president is elected by direct vote, but if none of the candidates gets 51 percent of the votes, the three candidates winning the most votes are submitted to congressional votes until one of them obtains the minimum support necessary.

"If Congress does not undertake this task at this time," the vice president warned, "the approval of constitutional reforms will be put off until 1995, thus provoking serious maladjustments and tensions in the constitutional mechanism that regulates the nation's political affairs."

Borrower Interest Rates Reduced to 21 Percent

PY0808150380 La Paz PRESENCIA in Spanish 31 Jul 88 p 1

[Excerpt] Aware of national reality, the country's financial system has announced that as of today the interest rate charged to borrowers will be reduced to a yearly average of 21 percent, with a slow process that seeks to rationalize interest rates and to open new horizons for a renewed action by the productive sectors.

This announcement was made by David Blanco, president of ASOBAN (Association of Banks and Financial Institutions of Bolivia), during a meeting with the press.

He stated that there are commercial reasons to keep interest rates high, but the banking sector has made an effort to reduce them.

In July 1987 interest rates to borrowers reached an average of 27 percent per year, and until recently they were kept at 23 percent. As of today the interest rate will be 21 percent.

He admitted that this interest rate is not the one that is needed for economic reactivation, because it is not appropriate that the profit percentage on capital be lower than interest rates. [passage omitted]

Transportation Sector Claims Strike 'Success'

PY0508035288 La Paz La Red Panamericana in Spanish 0000 GMT 5 Aug 88

[Text] Walter Cavero, secretary of the National Drivers Confederation, stated that the transport drivers' strike in La Paz has been a success. He said that 95 percent of the drivers complied with the strike, along with 85 percent of the interdepartmental and interprovincial lines. He added that very few taxi drivers participated in the strike.

On assessing the 48-hour strike, he said that in Oruro, Sucre, Potosi, Tarija, and [name indistinct], the participation of drivers in the strike reached 95 percent. In Cochabamba, the strike was observed by only 30 percent of drivers, and in Santa Cruz we encountered some problems that will be explained in a general national meeting that will be held soon, he said.

Asked about the organization of a miners' political party, Walter Cavero said he had learned about this idea through the communications media. I do not know anything about it, and the person who apparently made this statement is (Estaban Sandoval), leader of the driver's confederation, he said.

Journalist Charged With Slandering Government

PY0508202588 Madrid EFE in Spanish 2343 GMT 4 Aug 88

[Text] La Paz, 4 Aug (EFE)—A preventive arrest warrant was issued against Antonio Peredo and last night he was taken to the San Pedro jail in La Paz. Peredo is charged with "slandering the government."

Bolivian Interior Ministry agents raided the magazine offices on 1 August, and arrested Peredo with five other journalists and two technicians. The six other staff members were not apprehended. Peredo claimed responsibility for the 30 July issue of AQUI, which published an article rejecting the fact that ministers, deputy ministers, and other government officials receive an additional salary from international organizations.

Peredo requested that he be tried in accordance with the press law that establishes that "press encroachments" must be tried by a special jury.

"All we did was print the complaints of the people in terms they use," Peredo said. He added that his arrest is "illegal" because he still has not been tried.

AQUI Chief Editor Carlos Soria, who was released yesterday, today reported that student organizations and opposition political parties consider the intervention at AQUI "an outrageous action" and demand that Antonio Peredo be released and then submitted to trial, if the authorities deem it appropriate.

Brazil

Nobrega, Abreu To Propose 'Austere' Budget

PY0808180380 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 7 Aug 88 p 43

[By Joao Borges]

[Excerpts] Brasilia—Ministers Mailson da Nobrega and Joao Batista de Abreu will play their final trump card in their attempt to continue in command of the economy. This week, they will hand to President Jose Sarney a federal budget proposal intended to eliminate all deficits on government accounts in 1989. Besieged by high inflation rates, which continue to increase despite efforts to bring them down, Nobrega and Abreu will this time use as their final trump card the 1989 budget, which is said to be an "austere" one. Using the word austere to refer to budgetary plans is by now very familiar.

At a time when the orthodox "rice and beans" economic policy—seasoned with some Brazilian ingredients like the 2-month freeze on the Price Reference Unit for public servants and other measures—has lost its appeal, the two ministers have practically given up on their attempts to reduce the cost of living this year. They are putting the problem off until next year when they believe the indexes will decline without using economic shocks or freezes. If President Sarney approves the budget proposal, Ministers Nobrega and Abreu will have their "passports" to continue the trip next year. If Sarney does not approve it, the process of "burning" the two ministers will be accelerated—just as ministers Francisco Donelles, Dilson Funaro, and Luiz Carlos Bresser Pereira were "burned" before.

The budget proposal has been secretly prepared by a team of experts from the Planning Ministry. This secrecy is justified by the two ministers' concern not to prematurely open their flanks to attacks from those segments that will be affected by the deep cuts in governmental expenses. Pressures from those segments might kill the proposal even before it reaches Congress for debate. [passage omitted]

The elimination of government deficits from the budget will demand deep expenditure cuts by the central government, and may include the merger or closure of agencies and self-managed institutions. The 2-percent deficit expected in 1989 will result from state and municipal governments' and state enterprises' accounts. The transfer of federal resources to states and municipalities, under the budget proposal, will also have to be drastically reduced.

The proposed federal budget will also cut nearly 1,200 assistance programs as part of the "cleanup" operation. Whenever this proposal reaches Congress, if it is approved by the president, the real battle over what is, and what is not, cut is expected to break out in the corridors of the Finance Ministry. [passage omitted]

Small Creditor Banks Agree To Grant New Money

PY0808015988 Rio de Janeiro Rede Globo Television in Portuguese 2255 GMT 8 Aug 88

[Text] Small creditor banks agreed to grant Brazil 90 pecent of a $5.2-billion loan.

The agreement on the debt was negotiated with representatives of 13 creditor banks. However, Brazil owes money to more than 700 banks throughout the world. To

get the $5.2-billion loan, which was foreseen in the agreement, Brazil had to consult all the banks to find out whether or not they were ready to contribute with some part of the loan.

The first consultation round ended on 5 August. According to the Brazilian Finance Ministry, the results were surprisingly good: The banks have already granted Brazil $4.7 billion in loans.

[Begin Nobrega recording] More than 90 percent of the loan was granted in the swiftest agreement ever reached in the history of Third World negotiations. This is also the first time 90 percent of the requested amount has been secured in the first round of consultations. [end recording]

In New York, William Rhodes, head of the creditor banks committee, said the large amount of money obtained shows that the creditor banks trust the Brazilian economic policy. Rhodes said the response by the banks to the Brazilian loan request is one of the best ever obtained since the beginning of the Brazilian economic crisis in 1982.

Minister Sodre To Head Delegation to Ecuador

PY0908015188 Brasilia Domestic Service in Portuguese 2200 GMT 8 Aug 88

[Text] Foreign Minister Abreu Sodre will head the special Brazilian delegation representing the government at the installation of Ecuadoran President-Elect Rodrigo Borja in Quito on 10 August.

The delegation also comprises Brazilian Ambassador to Ecuador, Roberto Pinto Ferreira and Gilberto Coutinho Parrans Veloso, chief of the Itamaraty Department of the Americas.

Soviet Minister on Prospects for Trade

PY0808191788 Rio de Janeiro O GLOBO in Portugese 7 Aug p 49

[Interview with Vladimir Bourmistrov, Soviet deputy foreign trade minister, by O GLOBO correspondent Carlos Tavares de Oliveira in Moscow—date not given]

[Text] O GLOBO: What are the prospects for trade between Brazil and the Soviet Union in view of the possibilities created by the perestroyka policy?

Bourmistrov: Cooperation between the two countries has a long history. Over several decades, our countries have gone from isolated transactions to stable commercial operations, cooperating in various ways using as its base international agreements. Efforts to find new possibilities and ways of cooperation have been made both by government agencies and private enterprises. Today, this is in line with the spirit of radical economic reform prevailing in the Soviet Union. This is the spirit of perestroyka, which should bring about an increase of trade between the two countries.

O GLOBO: Considering the low volume of bilateral trade, what measures would the Soviet Union like to implement to make that expansion possible?

Bourmistrov: From a realistic standpoint one cannot but recognize that current trade does not represent the economic, scientific, and technical potential of the two countries. The recently created Ministry of Foreign Economic Relations of the Soviet Union sees its task as the broadening of the basis of commerce with Brazil, in addition to enhancing the role of the Intergovernmental Joint Commission for Commercial, Economic, Scientific, and Technical Cooperation which expands the exchange of information. With this in mind, we are making provisions for the 11th ordinary session of the Soviet-Brazilian Intergovernmental Commission, which will be held in Moscow in mid-September.

O GLOBO: Will the Soviet Union be in a position to offer finance for the purchase of machinery and equipment?

Bourmistrov: Soviet enterprises are offering and will in the future be offering commercial credits under normal international trade terms and practices when supplying machinery and equipment to Brazil. To unify the terms of payments and deadlines for deliveries, it would be reasonable, in our opinion, to sign an intergovernmental agreement. We have made this proposal to the Brazilian Government.

O GLOBO: What is Brazil's importance in the context of the Soviet Union foreign trade, particularly with Latin America?

Bourmistrov: We attach great importance to the development of cooperation with Brazil in various areas, including the commercial and economic area. In our view, there is experience and forms of cooperation with Brazil which can be successfully applied in other Latin American countries. Above all, I am referring to the long-term economic, commerical, scientific, and technical cooperation program signed on 30 September 1987, during the visit of Soviet Foreign Minister Eduard Shevardnadze to Brazil. The creation of the first joint venture in Latin America, in which Soviet capital and Plodimex of Brazil participate, can also be mentioned. There is another Brazilian-Soviet joint venture for processing fruit juices, using local raw material and Brazilian oranje juice concentrate, in Lipetsk, Soviet Union.

The possibility of Brazilian-Soviet Union joint ventures in other Latin American countries in the future cannot be ruled out.

O GLOBO: Considering the similarity between the problems shared by Brazil and the United States in their trade with the Soviet Union, could a cooperation agreement based on the one signed last April between the United States and the Soviet Union be sought?

Bourmistrov: Your question reveals that the Brazilian press does not have sufficient information on this problem. That agreement was just a new form of cooperation when several U.S. private companies decided to join forces to undertake production projects in the Soviet Union. This form of cooperation is open not only to Americans. If Brazilian companies should express similar interest, their proposals will also be studied. The Soviet Union is interested and willing to cooperate with all countries under principles of mutual equality and advantage.

O GLOBO: The dynamic restructuring established by perestroyka and its subsequent development is making it difficult for Brazilian businessmen to understand what is taking place. What could be done to clarify the situation?

Bourmistrov: Since 1986 perestroyka has been implemented in the area of external economic ties, and many things have been radically changed. The changes in Soviet legislation will not help our foreign partners. However, the activities of some dynamic foreign enterprises attest to the fact that no obstacle is insurmountable. In 1987 seminars were held in Rio de Janeiro and Sao Paulo on the problems and prospects of trade with the Soviet Union. I agree that such seminars should be held regularly. To this end, the participation of Brazilian firms at the Moscow Expo-Brazil will contribute a great deal.

O GLOBO: Several businesses in Brazil have demonstrated interest in the expansion of bilateral trade by creating a Brazil-Soviet Union Chamber of Commerce. What do you, Sir, think of this initiative?

Bourmistrov: Soviet organizations are willing to cooperate with different state and private enterprises. No doubt the creation of the Brazil-Soviet Union Chamber of Commerce in Rio de Janeiro and Belo Horizonte will favor the development of contacts.

O GLOBO: Does the first Soviet-Brazilian joint enterprise have any special characteristics?

Bourmistrov: It is important to point out that this joint enterprise was not created in Moscow, but in Lipetsk, a district capital. I am sure that our cooperation will not be limited just to Lipetsk and Sao Paulo. Currently, the Soviet and Brazilian partners are studying cooperation in different directions. However, it is too soon to speak of possible results.

O GLOBO: In which sectors would the Soviet Union be interested in investing in Brazil?

Bourmistrov: Our economic development plans are huge and require large capital expenditures. We are willing to take advantage of the international division of labor. Prospects in Brazil are good in the areas of steelmaking, irrigation, railroad construction, machinery manufacturing, and energy exploitation, among others. In all these sectors, the Soviet organizations have much experience, modern technology, and qualified personnel. They can also offer equipment and materials of high quality. The possibilities for cooperation will be studied on a case-by-case basis under the fundamental principle of mutual advantage.

Five State Companies Offered to Private Sector

PY0508115788 Brasilia Domestic Service in Portuguese 2200 GMT 4 Aug 88

[Text] For those who want to purchase some of the majority shares of the Acaraiba Metais company, the opportunity will expire tomorrow. This is one of the five state companies currently being privatized.

The sale of this company's majority package of shares will be made by the National Economic and Social Development Bank on 24 August at the Rio de Janeiro Stock Exchange market. Each share will be offered at 19.22 cruzados when the auction opens. This was reported by Paulo Galleta, president of Federal Council of Denationalization [Conselho Federal de Destatizacao]. He also spoke about the other companies that are about to be sold.

[Begin Galleta recording] Right now, the federal government is selling five companies, [words indistinct] as published in the newspapers. These companies are Acaraibe Metais, the Vitoria Railway Co. [Companhia Ferrea de Vitoria—COFAV], the Brazilian Copper company in Rio Grande do Sul, the Iron and Steel Works Company of Mogi das Cruzes, COSIM, as well as the National Mills compamy, better known as Acucar Perola. These companies are on sale. [end recording]

Before the end of the year, the government wishes to sell to the private sector about 12 or 15 companies, like the Steel and Iron Works of the Northeast [Companhia Siderurgica do Nordeste—UNISOR], the Bahia Celullose Comapany, Railway Material Inc. [Material Ferroviario S.A.—MAFESA], and Petroquimica Uniao.

FRG To Cooperate in Rocket Launching

PY0908011488 Brasilia Domestic Service in Portuguese 2200 GMT 8 Aug 88

[Text] In 1969 Brazil signed a scientific cooperation agreement with the FRG on the launching of the British-made (Skylark-12) rocket, which belongs to the FRG Aerospace Research and Testing Institute. Within the framework of this agreement, Brazil is now developing a project for the launching of the (Skylark-12).

The operation, which is called Inter-Zodiac 2, is part of the FRG program for seismical sounding through rockets. The main goal of this operation is to analyze the effects of helium radiation on the sun and of hydrogen radiation on earth.

The (Skylark-12) weighs more than 2,000 kg, has three stages, and a 120-kg payload.

Bolivian Air Force Commander Arrives

PY0808141488 La Paz EL DIARIO in Spanish 27 Jul 88 p 5

[Excerpt] Bolivian Air Force Commander General Guillermo Escobar Uhry has begun a visit to Brazil, where he will carry out many activities. Escobar Uhry was invited by Air Force Lieutenant Brigadier Fernando de Assis Martins Costa, chief of staff of the Brazilian Air Force.

On 24 July Escobar traveled in an executive plane of the Bolivian Air Force to Brasilia where he will begin his official activities. Escobar traveled with Air Force Brigadier General Victor Guzman Bruno, chief of Department III; Air Force Brigadier General Napoleon Landivar Ruiz, chief of Deparment II; and Air Force Brigadier General Freddy Gutierrez Arias, chief of Department VII. [passage omitted]

Chile

Junta Member Gordon on Plebiscite, Opposition

PY0908024088 Santiago Television Nacional de Chile Network in Spanish 0030 GMT 9 Aug 88

[Text] Today Lieutenant General Humberto Gordon, a Government Junta member, confirmed that the upcoming plebiscite will be clean, informed, and honest. The Government Junta's Army representative went to La Moneda Palace to participate in a luncheon for Government Junta members and President Pinochet.

During the luncheon, Gen Gordon said that if the chief executive is appointed as the plebiscite candidate, President Pinochet will remain as Army commander in chief until he assumes a new presidential term on 11 March 1989.

Asked about petitions made by the opposition, demanding that the candidate be a civilian, Gen Gordon said:

[Begin recording] [Gordon] The opposition wants so many things. Nowadays, there are people who are asking for so many things. The truth is that everyday [words indistinct].

This is insane. This means desperation. Against whom? Against the president of the Republic.

I only wish there would have been someone in Chilean history like Gen Pinochet.

[Reporter] How do you view the process in general?

[Gordon] Clean, informed, honest, and distinct as we, the military, have always acted.

This is what bothers me most about the opposition. They are always trying to divide pitting the civilian power against the military power and so forth. There are no differences here. We are all Chileans. This is of paramount importance. There is a government here that must be respected in spite of everything. [end recording]

IU Calls National Day of Protest 30 Aug

PY0808140088 Santiago FORTIN MAPOCHO in Spanish 27 Jul 88 p 2

[Excerpt] The United Left [IU] has proposed holding a mass banging of pots and pans and a national day of repudiation on 30 August, the day that the commanders in chief of the Armed Forces and the director general of Carabineros will choose the regime's champion, which the IU says will be General Pinochet.

The IU recalls that "it is symbolic that the Government Junta should meet on 30 August, the national day of the detained missing people. On that day justice for the victims and punishment for the guilty will be demanded."

The IU's document was released by Anibal Palma, its president, who was accompanied by Jose Sanfuentes, the IU's secretary general, when he met with the press. [passage omitted]

PRC Vice Foreign Minister To Visit 16-19 Aug

PY0808133488 Santiago LA TERCERA DE LA HORA in Spanish 29 Jul 88 p 7

[Text] PRC Vice Foreign Minister Zhu Qizhen will officially visit Chile between 16 and 19 August 1988, heading an entourage of Foreign Ministry officials.

Announcing the visit, the Foreign Ministry indicated that "this visit will be made within the framework of the excellent relations that exist between the two countries, and it responds to the interest of the two governments to strengthen even more the solid ties that have been established in several areas."

During his stay in Chile, the vice minister's program will includes meetings with high ranking government officials, working meetings at the Foreign Ministry, and meetings with the private sector.

Guerrilla Training in Argentina Investigated

PY0608193488 Santiago Domestic Service in Spanish 1700 GMT 6 Aug 88

[Excerpts] The investigations ordered by Punta Arenas Military Prosecutor Luis Perez Letelier are being conducted at the national and international levels to gather

more information about the terrorist activities that took place in the 12th region and in other regions. These terrorist activities were frustrated by timely police intervention. [passage omitted]

Other investigations being carried out are related to the alleged training of guerrillas in Argentine territory near the Chilean border. If this rumor, which is being investigated, is confirmed, the Foreign Ministry and the international police [policia internacional] will have to intervene.

Swedish Embassy Occupied by Settlers Group

PY0608141888 Buenos Aires TELAM in Spanish 0313 GMT 6 Aug 88

[Text] Santiago, 5 Aug (TELAM-ANSA)—[Words indistinct] a member of the Metropolitan Coordinating Board of Settlers, an organization that is linked to the illegal Chilean Communist Party, and its leaders today occupied the installations of the Swedish Embassy in Santiago.

Saez is under arrest and is being held incommunicado on orders of Military Prosecutor Fernando Torres Silva, who is in charge of the most important terrorism trials, such as the failed attack against de facto President General Augusto Pinochet and the illegal introduction into the country of a huge arms arsenal in the north of Chile.

In a press communique, the Coordinating Board reports that its leaders have occupied the installations of the Swedish Embassy demanding the immediate release of Javier Saez and an energetic proclamation from all the country's social, political, and religious organizations on his situation.

The occupiers demand that the Swedish Government act as mediator (for Saez) with Pinochet's military regime and that it make this new reprisal known to all the international organizations with which it maintains relations.

Occupation Ends

PY0608221688 Madrid EFE in Spanish 2007 GMT 6 Aug 88

[Excerpt] Santiago, 5 Aug [date as received] (EFE)—The peaceful occupation of the Swedish Embassy in Santiago lasted less than 24 hours. It ended after the freeing last night of communist militant Javier Saez Paiva, who was detained 4 days ago on orders of a military prosecutor.

Five leaders of poor neighborhoods on the outskirts of Santiago, like Saez, on Friday morning began a "peaceful and indefinite occupation" of the Swedish Embassy, asking that the embassy mediate to achieve Saez' release.

Last Tuesday, on arriving at the international airport in Santiago from Buenos Aires, Javier Saez was detained on order of Military Prosecutor Colonel Fernando Torres. Saez has been linked to the discovery of clandestine arsenals in northern Chile in August 1986, thought to belong to the "Manuel Rodriguez Patriotic Front" (FPMR), which in September of the same year carried out an abortive attack on Chilean President General Augusto Pinochet. [passage omitted]

Charges Against Publications Suspended

PY0808122488 Madrid EFE in Spanish 2056 GMT 6 Aug 88

[Text] Santiago, 5 Aug (EFE)—Today Santiago newspapers reported that the Supreme Court of Justice has decided to temporarily suspend the legal proceedings against the opposition newspaper FORTIN MAPOCHO and magazines ANALISIS, APSI, and CAUSE.

The Chilean military regime filed charges against the four publications for having published a declaration of the proscribed PCCh exhorting the population to vote no in the upcoming plebiscite.

By suspending the proceedings, the Supreme Court of Justice has accepted a writ of inapplicability of the law that punishes those who spread information about people, parties, or groups which have been declared unconstitutional.

The directors of the mentioned publications cannot be sentenced to prison, but could have to pay fines that could amount to $15,000.

Currently 30 Chilean journalists are being processed by court, and the majority of the cases are being heard by military courts.

LA EPOCA Files Plea Against Government Junta

PY0608015088 Santiago Radio Chilena Network in Spanish 2300 GMT 5 Aug 88

[Text] Emilio Filippi, director of the newspaper LA EPOCA, has filed a plea for an injunction against the four members of the Government Junta. The plea states that the Government Junta has systematically refused to accredit LA EPOCA journalists to allow them to cover the news from the legislative branch. The plea asks for an injunction against Admiral Jose Toribio Merino Castro, General Humberto Gordon, Air Force General Fernando Mattei, and the Carabineros Director General, General Rodolfo Stange.

FORTIN MAPOCHO Building Attacked 5 Aug

PY0508150488 Madrid EFE in Spanish 1442 GMT 5 Aug 88

[Text] Santiago, 5 Aug (EFE)—Today several unidentified people tried to attack the building in Santiago that houses the headquarters of the newspaper FORTIN MAPOCHO, one of the leading newspapers that opposes General Augusto Pinochet's military regime.

One of the building's night guards told EFE that "after we saw that three large windows had been broken and after we saw a police vehicle go by, we opened the doors. There was no sign of those who broke the windows."

According to reports from local media, "the unidentified people most probably fled when they saw the police vehicle."

The personnel on duty reported that the attempted attack occurred at 0500 (0900 GMT) today. The building is located in the downtown area, 8 blocks from La Moneda Palace, the seat of government.

Demoratic Party of Chile Created, Authorized

PY0808134988 Santiago EL MERCURIO in Spanish 28 Jul 88 p C-2

[Text] Yesterday the Electoral Registry published in the official bulletin an excerpt of the resolution that authorizes the organization of the Democratic Party of Chile [Partido Democratico de Chile], which will use PADECh as its acronym.

Here is the provisional board of directors: Apolonides Parra Pradenas, president; Jorge Villaroeal Santana, vice president; Dagoberto Vega Crisosto, secretary; and Roberto Pincheira Caceres, treasurer.

Conflict at University of Chile Resolved

PY0508001888 Santiago Domestic Service in Spanish 1030 GMT 5 Aug 88

[Text] The conflict at the University of Chile has been solved and activities will be resumed next Monday. The agreement was reached after lengthy meetings between some university authorities and student leaders. The negotiations were attended by university Planning Director (Pedro Gasmur) and by Francisco Aguilera, director general of the Student Academic Center, on behalf of the university.

The following agreements were reached: Payments on tuition debts will be suspended; university student loans will grow by the rate of last year's tuition increase; installments for the payment of tuition will be increased from six to at least eight; and a deadline will be set to allow those students who accept student loans to sign the promissory notes. Several dean's committees will be created to oversee the implementation of these measures.

The student leaders said they will meet with Rector Juan de Dios Vial Larrain to discuss the decisions. Vial Larrain had decided to suspend the talks due to the serious extremist attacks at the Economy and Administrative Science School, where a group of students who wanted to resume classes and end the illegal takeover of the building were attacked by Marxist agitators. At least five students were injured during these incidents.

Carabineros Arrest University Student Leader

PY0608150788 Madrid EFE in Spanish 1416 GMT 5 Aug 88

[Text] Santiago de Chile, 5 Aug (EFE)—Today leaders of the Concepcion University Students Federation (FEC) confirmed that its president is in custody in a Concepcion prison. Concepcion University, a very prestigious Chilean university, is located in southern Chile.

FEC President Alejandro Navarro, who was arrested by Carabineros during a demonstration against General Pinochet's administration, is being held but not under an incommunicado status.

Carabineros have charged Navarro and Fernando Fontaine, another Concepcion University student, with "abusing" them.

Three FPMR Members Arrested for Bombings

PY0808151088 Santiago EL MERCURIO in Spanish 28 Jul 88 p C-9

[By Pedro Marinkovic]

[Text] San Antonio—Three alleged terrorists belonging to the Manuel Rodriguez Patriotic Front [FPMR] have been placed at the disposal of the Valparaiso military court. With these arrests, the provincial security forces closed the investigation into several attacks that took place recently in the region.

A fourth suspect managed to escape, but he has been identified. The group was arrested after two bombs exploded the previous night in the San Antonio telephone company office and in the Llolleo Credit Bank and Investments agency.

The names of the arrested terrorists are Manuel Ernesto Ramirez Roman, known as Raul, second chief of the local FPMR military operations; Jeronimo del Carmen Bustos Ureta, known as Rafael or El Indio, a unit combatant; and Sergio Francisco Mariman Poblete, or Dago, in charge of logistics.

These men are accused of directly participating in the manufacturing and planting of 13 bombs between January 1986 and 25 July 1988. They twice attacked the Mormon Temple in San Antonio District, as well as the Serviu cellars, an interprovincial bus, the Santiago railway line, and other places.

A communique states that the three FPMR were caught carrying explosive materiel, subversive documents, and Marxist literature. The police confiscated from them many wepons including revolvers, sawed-off shotguns, detonators, grenades, and about 6.5 kg of explosives and other items.

The men had planned to carry out activities during the plebiscite in order to cause commotion and panic in the city. The three men were members of the local construction workers labor union. They were placed at the disposal of the Valparaiso military court on the charges of violating the weapons and explosives control law. The security services continue investigations in order to find the fourth terrorist, who has been identified and is connected with the mentioned terrorist actions.

Some opposition political and human rights organizations have presented a writ of amparo on behalf of these men before the court.

Columbia

Government, Opposition View Barco Rule

PA0808230588 [Editorial Report] Bogota Inravision Television Cadena 1 in Spanish at 0125 GMT on 8 August carries a 4-minute report on the past 2 years of President Virgilio Barco's administration, including statements by government and opposition figures.

The station first provides an evaluation of the Barco administration's past 2 years, stating that Barco's priorities at the beginning of his term in 1986 included "national reconciliation, a decrease in unemployment, the eradication of poverty," and the election of mayors by the people. The station adds that he had also promised tax, agrarian, and urban reforms, civilian control over managing public order, and that he would seek an agreement with Venezuela.

Government Minister Cesar Gaviria says that "we have made significant political improvements with the establishment of a mixed government-opposition system and by holding the first popular elections for mayors under this revised political system. We have also managed to make Colombians understand that the government can tolerate criticism, supervision, peaceful protests, and disagreement."

Conservative National Directorate President Rodrigo Marin Bernal says that "the political and military conflict has spread throughout almost the entire country. The government has been unable to stop the apparently endless bloodshed. The economy has been doing well. However, the rapid rise in the cost of living has taken 30 percent of the workers' actual income away from them in the last 12 months. Although unemployment has decreased, it is still high."

Patriotic Union President Bernardo Jaramillo Ossa adds that "today there is greater violence in the country, and while the rich get richer, the poor get poorer and increase in number."

Communist Party Leader on Situation in Country

FL0808163788 Havana Radio Rebelde Network in Spanish 2332 GMT 5 Aug 88

[Interview with Edgar Salas de Leon, member of the Central Committee of the Communist Party of Colombia and its representative to Cuba, by Felix Fernando Garrido and "Exclusivo" program host Daniel Torres; place not given—live]

[Text] [Garrido] Welcome, Edgar.

[Salas] Thank you, Comrade Felix. We are at your service and at the service of Comrade Torres.

[Garrido] Thank you, Comrade. As you know, Edgar, better than many of us, Colombia has been shaken in the last few months by a great wave of violence. As Daniel said a few moments ago, this violence has already claimed approximately 2,000 victims. We would like for you to discuss this national problem of Colombia.

[Salas] Yes. First of all, thank you for the opportunity you offer us to communicate with the Cuban public, especially that of Havana, regarding the sorrowful moments that Colombia is going through. Actually, the violence in Colombia is violence which dates back a while. It is violence stemming from the worst practices of an oligarchy that establishes the basis of its power and political, economic, and social stability through violence against the people. This last phase of violence is actually worse than what we had seen in the past decades. This violence is primarily directed at breaking up the structures of the people's revolutionary movement, which is in the midst of development and growth. Under the direction of the U.S. Pentagon, with the idea of low-intensity wars, the Colombian oligarchy and militarism is attempting, through violence and murders, to stop the growth of the Colombian people's rebellion for democratic and popular changes. You don't hear about single cases any more; rather, you hear about collective murders and crimes against the defenseless population, farmers, workers, and union leaders who are now at the head of a whole new process to bring about changes to favor progress, development, and true and authentic peace for the Colombian people.

[Garrido] I would like for our mediator of this "Exclusivo" program to speak with you. As you all know, Daniel, the television news segment "En Calinte" has kept the whole Cuban population informed about the Colombian situation. Please go ahead, Daniel.

[Torres] Yes. Thank you. I was just reading a telegram from Bogota reporting that another Colombian union member has been murdered in Medellin by extreme-right paramilitary groups, which to date have murdered over 160 union leaders in the last 15 years. Comrade Edgar Salas de Leon was referring to these death squads in Colombia. However, I really believe there are two

factors involved in the current violence wave in Colombia. First of all, this paramiliary movement, as you yourself have said, is trying to stop the Colombian people's rebellion and it is trying to frustrate the strong workers movement which exists in the country, on the one hand. On the other hand, I think that the wars among drug traffickers also affect peace, above all, in this South American country. I would like for you to please discuss this strong drug trafficking problem in Colombia and how far these ramifications extend.

[Salas] Yes. I think that the drug trafficking phenomenon, at least a part of the drug trafficking phenoemenon, is directly related to the wave of political violence which is brutally treating the Colombian population, trade union movement, democratic movement, Patriotic Union, and in general, all the Colombian democrats. In other words, this relationship has to do with a link which ties the DEA, the U.S. Drug Enforcement Agency, and the Colombian military in the preventive war against the development of revolutionary movements in Colombia. This is on the basis of a [words indistinct]. The Colombian military and the DEA facilitate this drug trafficking sector, especially the Medellin and Cali Cartels, to carry out their business and [words indistinct] the drug market in the United States. That is an obvious complicity which also has the obvious support of the oligarchies in power which benefit from this underground money obtained from this illegal business of drug trafficking. In other words, we have a three-way alliance linking the United States, through the DEA—which has also been proven through the Central American case of support to the Nicaraguan contras—on the one hand. On the other hand, we have the Colombian militaristic sector, the sector of the Colombian oligarchy, which benefits in two ways.

It benefits in the sense that it terminates those who oppose the system. The unity process in the Colombian popular movement is terminated and liquidated. They also benefit by feeding the economic crisis of the foreign debt with resources from drug trafficking. This is an obvious explanation. Nevertheless, it is worth clarifying for public opinion and especially for our Cuban comrades that the real essence of violence in Colombia is not the phenomenon of drug trafficking. It is a phenomenon that is basically political which primarily involves the need to make structural changes in a system that today has become lax, incapable of sustaining popular demands for resolving the social, economic, and political needs of the majority of the masses.

On the other hand this political violence is used by an unmoving oligarchy, which is liberal as well as conservative with foreign monopolies. It is not willing to make concessions to the people's movement. It is not willing to expand the democratic space. It supports itself with reactionary violence to prevent the implementation of changes that Colombian society wants to become effective and real.

[Torres] Comrade Salas de Leon, a few day ago an affair [preceding word in English] was sponsored by the Colombian rebel movement. I'm referring to the M-19 when they kidnapped Alvaro Gomez Hurtado, conservative politician and former Colombian presidential candidate. A sort of national dialogue was held in Colombia in which political representatives from throughout the country participated. Nevertheless, not a single government representative attended.

Do you think that a peaceful solution can be reached through dialogue, negotiation, chats, talks?

[Salas] During the government of Belisario Betancur, the administration recognized that the use of armed violence in Colombia, especially the rebel movement which is one of the oldest in Latin America, is a phenomenon that cannot be overcome simply through military means, through repressive and institutional means. It requires political negotiation. It requires a deviation from the presumption that this is a phenomena of national policy. It is necessary to reach an agreement and a commitment with the armed rebel movement in Colombia to promote the necessary reforms and changes that will allow the acclimation of a true, long lasting peace based on structural reforms and changes that would not necessarily imply a socialist revolution or a permanent revolutionary transformation in Colombian society at this time.

Nevertheless, the process that began with Betancur's government became frustrated because of the groups that had a monopoly on land and capital, from U.S. Embassy pressure, and, above all, from the role that militarism plays in the nation's political life, which is more active each time. This process was sabotaged and boycotted. At first, a truce, a cease fire—without turning in weapons, of course—was considered for the guerrilla movement. Now the armed movement has practically been incorporated into the active struggle because it is impossible to remain inactive in view of the offensive actions of the Colombian Army and the assassination of many of their political leaders, the assassination of many people who received amnesty during Betancur's time.

This road now is practically closed. The government of Virgilio Barco feels that dialogue with the insurgents is senseless. It is considered to be invalid. Nevertheless, the development of the Colombian rebel movement, especially the weight it now carries in Colombian society and in national policy, and the phenomenon of violence which has unleashed more than 160 paramilitary bands against the civilian population and the people's movement, is practically guaranteed by the Constitution and the laws currently in effect. This has made the sectors affected by the M-19 kidnapping—or detention—of Alvaro Gomez Hurtado renew the idea of a dialogue. They are once again considering the possibility of a meeting with politicians and social sectors to discuss the problem of violence in Colombia.

'Day of Terror' Leaves 14 Dead in Cordoba

PA0708175788 Bogota EL TIEMPO in Spanish 5 Aug 88 P 9-A

[Report by EL TIEMPO correspondent Tono Sanchez: "Day of Terror in Cordoba: 14 Killed"]

[Text] Six members of the Popular Liberation Army [EPL], a prestigious cattleman and liberal leader of Cienaga de Oro, and seven other people were violently killed in actions that took place within the last 24 hours.

Troops of the 11th Brigade Junin Battalion clashed with EPL members at Caimito, San Marcos municipality, and brothers Ricardo, Bernardo, and Carlos Arturo Cordero Suarez as well as Felipe Diaz Gomez, Hector Manuel Guillen, and Dagoberto N. were killed in the clash.

Cattleman and liberal leader Elis Almanza Sotomayor, 47, was killed in Cienaga de Oro, 35 km from Monteria. The police reported that seven individuals carrying short-range firearms and communications equipment and wearing masks broke into the Pasatiempo Farm owned by Mr Almanza. Without saying a word, the individuals shot the owner to death and stole two .38-caliber revolvers.

In other separate incidents, Jose Francisco Diaz Vega, who had been kidnapped by the EPL a few days earlier; Anuar Jose Hernandez Carrascal, 30; Humberto Miguel Cogollo Gonzalez; Juan Bautista Arrieta Escorcia, who had been missing for a few days; and Eduardo Fernandez Ramirez were also killed.

Medellin Police Seize Dynamite From Rebel Group

PA0708181688 Bogota Inravision Television Cadena 1 in Spanish 0100 GMT 7 Aug 88

[Text] According to official sources, the Medellin metropolitan police have seized 1,600 kg of dynamite within the last 16 hours. This dynamite was to be used by the National Guerrilla Coordinating Board.

Police arrested two men who were driving a Fiat van at 0400 in Copacabana. They were transporting dynamite, slow-burning fuses, detonators, and glycerin, among other items, to a secret subversive school located between Yarumal and Taraza in northern Antioquia.

Two people were also arrested at the bus terminal in the afternoon for carrying 26 sticks of dynamite. They were going to Valdivia. After interrogating the suspects, police searched two locations where they found 76 boxes containing 1,533 kg of dynamite along with the material used to detonate it.

Equador

Delegations Arrive for Borja Inauguration

Alfaro Lives Denies Report

PA0808185388 Hamburg DPA in Spanish 1627 GMT 8 Aug 88

[Text] Quito, 8 Aug (DPA)—Delegations of dozens of countries have begun to arrive in Quito to attend the inauguration of new Ecuadoran President Rodrigo Borja amid strict security measures in view of reports concerning alleged plans by the subversive Alfaro Lives movement to attack embassies.

Security agents and military forces have surrounded Quito's Mariscal Sucre Airport and are stationed at strategic points in the city 48 hours before the beginning of the ceremonies for the transfer of power from conservative Leon Febres-Cordero to Social Democrat Borja.

Nevertheless, today the Alfaro Lives group stated in a call to the independent newspaper HOY that the reports about an alleged plan to seize the French Embassy in Quito "are absolutely false."

"It seems someone has sinister intentions, but we are not involved," the group's spokesman said. The group has been accused by the police of planning to seize embassies to demand that the new government release the guerrillas arrested by the outgoing administration.

A high-ranking leader of the movement was arrested on Saturday by the police a few hours after he entered the country, presumably to lead the operation. The group reportedly planned to take advantage of the presence in Ecuador of hundreds of journalists, who have arrived to cover the inauguration along with the official delegations of their respective countries.

The first delegations to arrive in Quito were those of the FRG, the GDR, Costa Rica, Chile, the PRC, Spain, El Salvador, Italy, Kuwait, Poland, Portugal, Dominican Republic, Sweden, Suriname, Thailand, the Soviet Union, and Venezuela.

The official missions of the UNESCO, SELA, ILO, the United Nations Development Program, and the Andean Development Corporation have arrived in Quito as well.

In addition to the official missions, dozens of political leaders invited by Borja will arrive in Quito by tomorrow. Those political leaders include the leaders of the Socialist International, representatives of the Chilean resistance, former Chilean president Allende's widow, Paraguayan opposition leader Domingo Laino, and representatives of the Latin American social democratic parties.

The Argentine, Costa Rican, Colombian, Portuguese, and Uruguayan presidents are expected to arrive on Tuesday, 9 August, while the Nicaraguan president will arrive on Wednesday, 10 August, after Borja is inaugurated and after diplomatic relations between the two countries are resumed.

Cuban President Fidel Castro's arrival has not been officially confirmed yet, although hundreds of Cuban security agents are already in Quito preparing for the arrival of the leader of the Cuban revolution.

Castro Confirms Attendance

PA0808194688 Hamburg DPA in Spanish 1735 GMT 8 Aug 88

[Excerpt] Quito, 8 Aug (DPA)—Today Cuban President Fidel Castro confirmed his arrival in Quito at noon on Tuesday to attend the inauguration of the new Ecuadoran president, Social Democrat Rodrigo Borja. "For security reasons" the announcement was made less than 24 hours before Castro's arrival. Castro is the sixth chief of state to confirm he will attend ceremonies marking the transfer of power in Ecuador.

Hundreds of Cuban security agents and some 30 journalists have been in Quito since last weekend preparing for Castro's visit. Castro will be in the city for 36 hours and might be staying in the residence of well-known painter Oswaldo Guayasamin, his personal friend. [passage omitted]

Febres-Cordero Assesses Achievements as Leader

PA0808121888 Quito Domestic Service in Spanish 0100 GMT 8 Aug 88

[Speech by President Leon Febres-Cordero; date and place not given—recorded]

[Excerpts] This is the last time I speak to you as president. I am doing it to inform you, the citizens, about the work performed by the government you elected 4 years ago.

Statistical reports confirm what Ecuadoran citizens have been saying: that the government, in spite of the worst crisis suffered by Ecuador this century, has made efforts to benefit the Ecuadoran people, especially the poor, the humble, and those who in the past were outcasts.

It is clear that no one has been able to seriously question any single statement in my speeches. There have been sporadic outbursts that do not refute any data given here. Instead, those outbursts have made evident the bitter anguish of some people who are more interested in pushing for the failure of a government than in joining efforts to make the country succeed.

Toleration of those expressions is further evidence of the absolute freedom of expression that Ecuador, our nation, enjoys, perhaps to a higher degree than any other country in the world. [passage omitted]

I want to talk about my government's efforts to defend national sovereignty and security. My government has striven for peace and order to guarantee the lives and the private property of all Ecuadoreans.

Our country, like all the other countries of the world, is being seriously threatened by two crimes against mankind: drug-trafficking, and terrorism. The most important obligation my government took upon itself was that of strongly fighting these crimes with all means available and without respite.

On 11 August 1984, 1 day after my inauguration as president, I and the presidents of Bolivia, Colombia, Panama, Peru, and Venezuela signed the Declaration of Quito, which declared drug-trafficking a crime against mankind. On that occasion we coordinated efforts to eradicate this crime. In Ecuador we created the Anti-drug-Trafficking Coordination Headquarters, which was directly under the Presidency. We also drafted a national plan for controlling and preventing the illegal use of drugs. [passage omitted]

The unprecedented effort made by Ecuador and its government has to be appreciated by considering the fact that the nation faced in recent years the worst losses ever in its history as a result of the drop in oil prices and the forced suspension of oil exports following of the destruction of the Ecuadoran oil pipeline by the March 1987 earthquake. [passage omitted]

My government's economic policy was based on clear and simple principles. The objective was to increase production and to promote traditional as well as nontraditional exports to break our dependency on oil. We also promoted national savings to free ourselves from foreign loans.

Exports are the lifeblood of Ecuador's economy. It is thanks to exports that our economy survives. It is therefore vitally important to increase exports. [passage omitted]

This administration's economic policy has proved its worth, despite the enormous loss of approximately $3 billion in resources. Decisions concerning employment and salaries have been a decisive aspect in this administration's responsible management. A difficult struggle has been waged against political forces that constantly promoted salary increases that could not possibly be financed and would have had harmful consequences, by which I mean inflation and unemployment.

Nevertheless, we were able to maintain the people's purchasing power by readjusting the minimum wage as often as necessary and whenever possible. In other

words, we fulfilled the pledge made during the electoral campaign. Thus, during the 4 years of my administration, the minimum wage was increased five times—from 6,600 to 8,500 sucres, then to 10,000, 12,000, and 14,500 sucres—and it is now 19,000 sucres per month. In other words, it has surpassed the level in which we found it by 188 percent. [passage omitted]

Also during this administration, the country attained international prestige due to its economic policy and was thus able to attain the best conditions to refinance its external commercial debt. We also had the unique distinction of becoming the first and only country in the world to formally sign a multi-year refinancing agreement with the so-called Paris Club member governments.

Nevertheless, oil prices collapsed and no solution to this phenomenon was foreseeable in the near future, so the national government was compelled to make the difficult political decision to suspend foreign debt payments in order to address the needs of the Ecuadoran people—which were of a priority nature and could not be postponed.

Given our sense of responsibility toward the country and because we believe that we are at the end of our administration, I leave the renegotiation of the foreign debt to the next administration. The administration's new officials will thus be free to fulfill the agreements in the country's best interests. [passage omitted]

The management of external and financial accounts was strictly coordinated with the management of our fiscal economy. Sales tax, commercial transactions, and import revenue in the 4th year of my term increased considerably, by almost 400 percent. We have implemented a practical, socially oriented economic policy; available resources have been invested in projects aimed at fostering the country's development and the welfare of all Ecuadoreans.

I completely devoted myself to the service of my country. I set aside childish vanity and regarded my presidential duties as the highest opportunity given me by your good graces to enable me to work for the good of the country. I worked every day to achieve national welfare, thus reciprocating with projects completed throughout the country the unique honor and trust you, the Ecuadoran people, placed in me. [passage omitted]

I am leaving office with a clean conscience. I have fulfilled, as best I could, the responsibilities entrusted in me by the voters. I leave knowing that our country, Ecuador, was not defeated or forced to yield as the result of the problems we have faced. I am also sad that I was not able to do all I wanted to do because of certain difficulties confronted by the country and because of the heavy losses we suffered.

I ruled in freedom, without legally unacceptable civilian ties. Because of my love for my homeland and for you, I promoted the construction of low-cost housing and roads; I promoted agricultural production and oil exploration; I promoted the construction of power plants, technical schools, and new factories and hospitals. I inherited a country with democracy and I am returning a country with an improved and more solid democracy. I am returning a country with less social problems than when I received it. I am returning a country with thousands of new projects established; even though we have fiscal and inflation problems, I am returning a country with new and promising opportunities for its overall development. I am concluding my term in office, but my duties toward you and the nation will never end. Ecuadoreans, thank you and good night.

Paraguay

Stroessner on Terrorism, Domestic Issues

PM0908114488 Barcelona LA VANGUARDIA in Spanish 7 Aug 88 p 4

[Report on interview with President General Alfredo Stroessner by Alberto Miguez in Asuncion—date not given]

[Excerpt] Asuncion—[Passage omitted] "I am accused of being a Francoist," Stroessner said, "and I was indeed a friend of Franco's, who received me very cordially in Spain. We Paraguayans are very grateful and have not forgotten that Franco and Spain helped us create our Navy. Almost all our ships were constructed in Spain. The economic terms that they granted us then were very generous—credits over a 10 year term at 4 percent interest. The same happened with major public projects in which Spanish firms were involved. It would be discourteous to forget that. Franco was a great soldier, as were Munoz Grandes and the fellow—what was his name?—who fought in the Battle of the Ebro.... Oh, yes, Yague was his name. I also met with Admiral Carrero Blanco, who was killed by terrorists. He was a responsible and competent man...."

[Miguez] On the subject of terrorism, what are the roots of this phenomenon in Latin America?

[Stroessner] Look, Paraguay has no terrorists or terrorism. They could not develop and survive because the people—society—rejects them. Some years ago I came into possession of a document of the Uruguayan Tupamaros in which they admitted that the situation in Paraguay did not permit the establishment of a guerrilla group. Terrorism is a crazy way of dealing with political and social matters, and it has proliferated in Latin America since Marxist communism seized power in Cuba. The roots lie in Soviet power's definite aim to extend its domination to our hemisphere. This is proved by the deception suffered by the people of Nicaragua, which is now ruled by the Marxist regime of Sandinism.

[Miguez] In your opinion are there external factors involved in Latin American terrorism?

[Stroessner] Of course, because otherwise such phenomena would not be so serious or enduring. The support comes from communist imperialism.

[Miguez] Indeed. What is your opinion of the restructuring that Mikhail Gorbachev is promoting in the Soviet Union?

[Stroessner] Gorbachev is, I would say, very crafty and is trying to sell tainted goods. If anyone is willing to buy, there he will be.

[Miguez] The opposition parties accuse you of being a dictator and of running a totalitarian regime.

[Stroessner] In Paraguay there is freedom for political parties, freedom of assembly and association. This is no dictatorship. We have lived in peace for over 3 decades. Paraguay has no terrorist acts, sabotage, politicized strikes, kidnappings, bank raids, or rural or urban guerrillas. The entire international Marxist apparatus and the media within its sphere of influence, as well as the politicians that lend themselves to its aims, conduct a systematic campaign of defamation and lies against Paraguay and its government, which was constitutionally established in accordance with the people's sovereign will as expressed through free and scrupulous elections. Some of the parties that accuse me of being a dictator would barely fill a wheelbarrow—and I am being generous....

[Miguez] Some of those parties have been legalized....

[Stroessner] Yes, but they would not even fill a streetcar....

[Miguez] In a few days' time you will be inaugurated again as head of state after 3 decades of power. How do you view these years and what are your hopes?

[Stroessner] There is no doubt that you have to learn how to govern and, after so many years, experience is a positive factor for anyone in government. Apart from this, however, do not forget that I was democratically elected by a very comfortable majority. General and municipal elections are held regularly in Paraguay. All legal parties such as the Colorado Party, the Liberal Party, and the Radical Liberal Party take part in these elections, each with its own candidates. In the latest elections, in February this year, several world political figures attended to observe the conduct of the elections. The vast majority of those figures agreed on the correctness of the electoral process.

[Miguez] What is the status of Paraguay's relations with its neighboring countries?

[Stroessner] They are good and in some cases excellent. With Brazil they are intensive, in both the political and the economic fields. I am good friends with President Sarney, with whom I have met several times. They are also good with Argentina.

[Miguez] Your supporters sometimes talk about the Paraguayan "political model." What is this model?

[Stroessner] Our model is embodied in the government platform of the Republican National Association, the Colorado Party, which features a genuine nationalist commitment, that is, a strict loyalty to the legacy of our national great men and heroes who in the last century performed the feat of founding and developing a modern state in the heart of the South American jungle. It is an eminently democratic form of nationalism.

[Miguez] Does the democratic blueprint still apply?

[Stroessner] I have told you that this is a democracy, though some do not believe it. As you know, this word "democracy" has a character that I would call somewhat....

[Miguez] Ambiguous?

[Stroessner] Exactly. Ambiguous.

Delegation to Ecuador for Inauguration Leaves

PY0808165488 Asuncion EL DIARIO in Spanish 8 Aug 88 p 12

[Text] A Paraguayan mission yesterday left for Ecuador to attend the inauguration ceremony of the new Ecuadoran President. The Paraguay mission includes Justice and Labor Minister J. Eugenio Jacquet and Deputy Miguel Angel Lopez Gimenez.

Jacquet and Lopez met on 5 August with President Stroessner. After the meeting, Minister Jacquet said: "I received instructions for this trip from President Stroessner, who is responsible for establishing Paraguayan foreign policy guidelines."

Police Attack Church-Sponsored Procession

PY0808123288 Buenos Aires TELAM in Spanish 0141 GMT 7 Aug 88

[Text] Asuncion, 6 Aug (TELAM)—Today several people were attacked by the police at the end of a large procession organized by the Paraguayan Catholic Church, seeking an end to the persecution of the church.

About 60,000 people marched 1 and ½ km to the cathedral. Asuncion Archbishop Ismael Rolon said that the procession was a declaration of faith and the commitment to fight for a better world without violence.

At the end of the ceremony, police units attacked groups leaving the church while the archbishop himself called on the police for moderation.

Father Americo Ferreira, who spoke in the religious ceremony, condemned the kidnapping and expulsion of Spanish Jesuit priest Juan Antonio de la Vega. He said that if any member of the church is beaten or wounded, the entire church is affected, even the bishops and the pope. He added that the way De la Vega was expelled is contrary to all the principles of human dignity, peaceful coexistence, and justice.

A rifle and a truncheon were broken symbolically as an expression of repudiation to the instruments of violence, and pigeons were released as sign of peace and reconciliation.

Peru

More Miners March to Lima to Support Strike

PY0508034188 Lima Television Peruana in Spanish 0100 GMT 5 Aug 88

[Text] Some 1,200 miners who arrived from Morococha last night are lodged at the (Bitarte) stadium.

The miners, who arrived in Lima on a sacrifice march—some of them accompanied by their entire family—have come to voice their support for the nationwide strike miners affiliated with the Federation of Miners and Metalworkers of Peru.

The miners, many of whom are now collecting funds on the streets of Lima for their food, left Morococha at night on Tuesday, 2 August, and continue their march to Lima. These miners represent the grassroots of Centraminas, Santa Rita, Sociedad Minera (Yaudi), (Aucea Dubac), and Centromin Peru companies.

Police Arrest 9 Alleged Shining Path Members

PY0508143388 Madrid EFE in Spanish 0334 GMT 5 Aug 88

[Text] Lima, 4 Aug (EFE)—Today Peruvian Investigative Police (PIP) reported that 9 alleged members of the Shining Path terrorist group, including some who have been accused of killing 14 people, were arrested in the last few days in several parts of the country.

Among those arrested, including two women, there are members of death squads, combat commandos, and the so-called Popular SOS of the Maoist organization, according to a PIP spokesman.

Of the 14 people murdered over the past few months in Huanta Province, Ayacucho Deparment, 4 were policemen, 9 were campesinos, and 1 was a member of the United Left, Peru's main opposiiton party. The captured terrorists have been accused by police of other attacks in rural and urban districts in Huanta Province.

Police confiscated food, medicines, munitions, and abundant propaganda material from the two women, who are members of the Popular SOS, which gives logistical support to Shining Path.

Three of the terrorists were arrested in Maynay, and another one, who is accused of being the chief of the death squads, was arrested in Huancayoc. Three others were captured in Huanta.

It was also reported today that a Civil Guard and an alleged terrorist died during a clash inside the police post located at Chincheros, Anta Province, Cusco Department. According to the report, the alleged terrorist, who was being detained, took advantage of a moment of carelessness to grab a submachinegun and start shooting at Policeman Norberto Rado, who returned the terrorist's fire with a rifle.

Shining Path Column Murders Deputy Prefect

PY0508035788 Lima Television Peruana in Spanish 1800 GMT 4 Aug 88

[Text] According to Juvenal Nique Rios, secretary general of Trujillo's APRA Executive Committee, the remains of Jose Nestor Esquivel Nunez, 78, deputy prefect of Santiago de Chuco Province, will be brought to Trujillo for the funeral.

Mr Nique told Television Peruana that Esquivel's relatives and the department's APRA Executive Committee were taking steps to bring the remains of the late APRA leader for a funeral in Trujillo so that national party leaders could attend the burial.

The deputy prefect was murdered by a Shining Path column while returning to his home at 1700 yesterday.

Uruguay

Sanguinetti Departs for Ecuador Inauguration

PY0908034588 Montevideo Radio Carve in Spanish 0000 GMT 9 Aug 88

[Text] President Julio Maria Sanguinetti is on his way to Buenos Aires to join Argentine President Raul Alfonsin. Tomorrow the two will travel in the Argentine presidential airplane Tango 1 from the Ezeiza International Airport to Quito to attend the presidential inauguration of new Ecuadoran President Rodrigo Borja.

Sanguinetti left ahead of schedule because of bad weather; therefore, the transfer of power to Vice President Enrique Tarigo was made tonight at 2000 in the presidential residence.

Reiterating again, the trip scheduled for tomorrow at 0700 from the Carrasco International Airport was rescheduled for tonight.

Government Plans Brazilian Border Proposal

PY0608013888 Buenos Aires DYN in Spanish 2058 GMT 4 Aug 88

[By Enrique Vidal]

[Text] Montevideo, 4 Aug (AFP)—Uruguay's desire to put its border problems with Brazil on the negotiating table became clear this week when the government's intention to submit an overall proposal to Brazil on this issue was unofficially announced.

Uruguayan Foreign Minister Luis Barrios Tassano has been consulting over the past few days with leaders of several parties to receive their impressions on three extensive letters Montevideo will send to Brasilia within the next few days.

Political sources have stated that the consultations seek a foreign policy based on the consensus of all parties. According to Vice President Enrique Tarigo, the foreign policy belongs to the entire country and not just the government.

This policy, implemented when President Julio Maria Sanguinetti took office in March 1985, has led to the elimination of all disagreement on matters such as regional integration or Uruguay's participation in Latin American and international political forums.

The Uruguayan proposal will deal with a disputed zone of 22,000 hectares, navigation of the rivers that form the northern and northeastern borders with Brazil, and the island La Brasileira, located in the Uruguay River off the city of Bella Union, 640 km north of Montevideo.

The problem involving the disputed corridor became more serious over the past few years when Brazil decided to establish a school, a grocery store, and some health and police stations in that corridor.

The town, called Thomaz Albornoz, was dedicated on 12 March 1985, 3 days before a democratic government took office in Brasilia.

Local authorities of the neighboring Department of Rivera, 540 km north of the capital, have denounced this act for the past 3 years, and it has been discussed at the congressional level and thoroughly studied by the Foreign Ministry.

When the Brazilian flag was first being raised at the village, several voices were raised condemning its dedication, including the voices of some Brazilian politicians.

Town Councilman Darcy Muller, of the Brazilian border town of Livramento, has said that the dedication of the village represented a bad policy for neighbors, and he added that it surely represents an attack on Uruguayan sovereignty.

Muller's opinion has since been contradicted by several Brazilian newspapers which have justified Brazil's possession of the disputed corridor. The corridor has been disputed since 1851 due to differing interpretations of the course of two streams that run through the zone.

This zone, called Rincon de Artigas in Uruguay, has been the object of several complaints lodged by Uruguay in international forums.

EEC Commissioner Views Country's Potential

PY0608030288 Montevideo Radio Carve in Spanish 0000 GMT 6 Aug 88

[Excerpt] EEC Commissioner Willy de Clercq has deemed his visit to Uruguay as promising. After meeting with the economy, finance, and foreign ministers, the EEC representative stated that the country is in a position to reach an important place in the world.

After the meeting with ministers Ricardo Zerbino and Luis Barrios Tassano, during which he assessed the economic problems in Uruguay, he said that the country has real possibilities to continue with its modernization and diversification policies. [passage omitted]

Cost of Living Increases 8.45 Percent in July

PY0608034088 Montevideo Radio Carve in Spanish 0000 GMT 6 Aug 88

[Excerpt] Planning and Budget Office Director Daniel Davrieux has reported that the cost of living in July increased 8.45 percent. Davrieux added that this rate has surpassed government predictions and that the goal of 45 percent inflation predicted for the end of the year will have to be reviewed. [passage omitted]

Guyana

China Agrees To Grant $5.5-Million Loan

FL0408151788 Bridgetown CANA in English 1807 GMT 30 Jul 88

[Text] Georgetown, Guyana, July 30, CANA—Guyana and China signed a number of agreements on Friday which will pave the way for the disbursement of an interests free 5.5 million U.S. dollar loan from China, the state media reported on Saturday. The money will be used to help finance three projects—one in the public sector, one in the private sector and the third by the Georgetown City Council. In keeping with one agreement, the private sector company Wrays Enterprise Ltd will set up a factory to produce five million high density polypropylene bags annually to satisfy local demand for packaging material especially in the agricultural sector. Another agreement provides for the setting up of a plant by Demerara Distilleries Ltd (DDL) to trap and utilise methane gas generated in its distillation operations but which is currently wasted. And, under the third agreement, the city council will be provided with "a large quantity of cleansing tools and equipment," the reports said.

The loan was granted to Guyana by China when a delegation led by agricultural minister Dr. Pat McKenzie visted China but the projects were identified and agreed upon during discussions with members of a technical team from China which arrived here earlier this month.

The state media said a second team is expected here within three months to sign contracts prior to beginning of the construction phase of the polypropylene bags and waste gas projects.

Head of Guyana's Department on Internaitonal Economic Cooperation, Dr. Cecil Rajana, and China's Ambassador to Guyana Yang Zengye signed two of the agreements on behalf of their respective countries.

Rajana was reported as saying the agreements are evidence of the further strengthening of relations between the two countries. He also noted that this was the first time that assistance from China will be used to help finance a private sector project.